

LaGuardia's Great Victory

The Nation

Vol. CXXXVII, No. 3567

Founded 1865

Wednesday, November 15, 1933

U.S.A. and U.S.S.R.

by Louis Fischer

Czarist debts and Communist propaganda belong to the past. For the future the two countries must consider trade and peace.

R. F. C. Helps the Poor Gas Companies

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The Nation

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THE NATION, No. 20 Vesey Street, New York City. Cable Address: NATION, New York. Muriel C. Gray, Advertising Manager. British Agent Gertrude M. Cross, 23 Brunswick Square, London W. C. 1, England.

THE VOTERS of New York City have elected Fiorello H. LaGuardia and the majority of the candidates on the Fusion ticket. The landslide was sufficient to give the victors 13 out of 16 votes in the Board of Estimate—control, in short, of the City's finances. LaGuardia came in with a margin of lower than a quarter of a million. This is distinctly a popular victory, an uprising of the "forgotten" men and women who for years have despaired of making headway against the entrenched Tammany boodlers and so have stayed away from recent elections. The victory is all the more remarkable because of the interjection of the Recovery ticket headed by Joseph V. McKee, blessed by the national Administration through the chairman of the Democratic National Committee, James A. Farley, and buttressed by the bankers. This inexcusable interference not merely in a local contest but in the effort of the people of New York to rid themselves of the corruption which has brought the nation's metropolis to the verge of bankruptcy, while soundly rebuked, had, nevertheless, disastrous consequences. It resulted in the retention of Tammany control of the Board of Aldermen and in the loss of the important office of District Attorney of New York County. Consequently there will be no prosecution of Tammany corruptionists

for four years, and the effort of honest leadership to clean house will be seriously impaired. It is undeniable that the Administration has in New York betrayed the progressivism which its New Deal supposedly embodies. The President cannot escape the just censure of progressives throughout the country. He can make amends only by relegating into political oblivion his man Farley, whose activities throughout the land are discrediting Mr. Roosevelt's leadership and impairing confidence in the Administration.

PHILADELPHIA voters likewise rose en masse and by means of a fusion ticket ousted the Vare machine, whose hold on the city had perhaps been stronger even than that of Tammany in New York, and whose fraudulent election tactics were sufficient to keep Pennsylvania in the Republican column in the last national election. In Bridgeport, Connecticut, a Socialist landslide resulted in the election of a Socialist mayor, Jasper P. McLevy, and thirteen Socialist aldermen out of sixteen, which gives this party complete control of the city. On the other hand, municipal-ownership projects for electric-light plants were defeated in five important cities, San Francisco, Cincinnati, Salt Lake City, Akron, and Youngstown. Camden, New Jersey, however, gave its official permission to construct a publicly owned plant. Prohibition received its expected *coup de grace* when Utah, Pennsylvania, and Ohio provided the votes needed for repeal. The record of unanimity for the twenty-first amendment was, however, broken with the probability at this writing that the two Carolinas would remain dry. What the Governor of North Carolina said to the Governor of South Carolina will probably have to be revised.

THE REJECTION by President Roosevelt of the proposal of the governors of Wisconsin, Iowa, Minnesota, and the two Dakotas to fix prices on six leading agricultural products seems to mark a definite break between the Administration and at least an important block of farmers in the Middle West. While the Administration's refusal to jeopardize the recovery program, by introducing a new and probably unworkable scheme, is sound, it is none the less unfortunate that the very group which the whole Roosevelt plan was primarily intended to help should be the first openly to declare a lack of faith in it. Although we also have grave doubts of the ultimate success of the program, it is a question if the Midwestern farmers have yet given it a fair chance. While the Department of Agriculture's index price of farm products had fallen to 70 on October 15 as compared with 76 in July and 72 in August, it is not true—according to government figures—that the advantage of rising prices for what the farmer sells has been more than swallowed up by the higher costs of what he buys. The exchange value of farm products in terms of commodities farmers buy was 60 on October 15, compared with 53 on the same date last year and 49, the low point, last February. Nevertheless, psychology is more powerful than statistics. The President's action will add impetus to the farm strike and violence is more to be expected than ever.

SECRETARY HULL has sounded a pleasing and auspicious note by declaring that the United States would take as its underlying policy to the Seventh Pan-American Conference President Roosevelt's "good neighbor" declaration in his inaugural address. But what is of paramount importance in our dealings with Latin America, now thrust into the forefront of public attention through the departure on November 11 of the United States delegation for Montevideo, is to square actions with words. Previous Pan-American conferences have increasingly made notorious the contrast between our high-sounding official verbiage and a lack of corroborative policy—a disparity which every Latin American recognizes, to the detriment of real friendship and understanding. That such disparity persists was strikingly revealed at the meeting of the governing board of the Pan-American Union, where Secretary Hull made his address. There Dantès Bellegarde, Haiti's Minister to the United States, in taking leave of his colleagues, adverted to another declaration of President Roosevelt's, which presumably will influence the American attitude at Montevideo, namely, his definition of an aggressor nation as one which sends troops beyond its own frontiers. He attacked the financial aggression of the United States in Haiti, referring to the executive agreement signed on August 7 by the Haitian Secretary of State and the United States Minister, Norman Armour. This agreement imposes on Haiti during the life of the National City Bank loan, forced on the Haitians against their will in 1922, a rigid financial control exercised in behalf of the bond-holders in the United States. The agreement forbids Haiti during this period—presumably some fifteen years—to modify its taxes or its tariffs without the consent of American officials.

THIS AGREEMENT, negotiated by underlings in the State Department in the early summer during Secretary Hull's absence in London, contains the identical financial provisions of a treaty which a year ago the Hoover Administration sought to frighten the Haitians into signing by picturing to them the dire consequences which might come to Haiti should Franklin D. Roosevelt become President. Although the executives of both countries had signed the treaty, the Haitian Congress rejected it by unanimous vote in September, 1932. It might therefore have been reasonably expected that the Roosevelt Administration would not seek again to impose financial control so contrary in spirit to the principles and professions of the New Deal Administration. The explanation is that this agreement was negotiated by men whose "cultural lag" is an outstanding characteristic, without other than the perfunctory sanction of the President and the Secretary of State, who at the time were occupied with weightier matters. But now that the question has been actually thrust into the public eye, it is highly desirable that the United States express of its own accord willingness to reopen the question. The Haitian Congress is not now in session, and does not meet until April. But why should the United States jeopardize the good-will of twenty Latin American nations by waiting until the Haitian Congress again makes manifest the national sentiment in Haiti? Why should the United States impose on a neighbor nation a collection agency for private investors at that nation's expense? That this policy was pursued by the regimes of Harding, Coolidge, and Hoover is an added reason for reversing it.

THE LATEST bright idea of the United States Civil Service Commission, as illustrated by regulations just issued to cover the conduct of examinations for certain vacancies in clerical work, is to make forty years the maximum age limit for candidates. In response to protests from members of both houses of Congress and from many other sources, protests which have gone directly to President Roosevelt, the President announced that he had turned the matter over to Secretary of Labor Perkins, who would be authorized to study the matter. Miss Perkins declares herself out of sympathy with the forty-year age limitation and describes it as "shortsighted." Harry B. Mitchell, president of the Civil Service Commission, in answer to attacks from all sides on his new policy, asserted that it did not mean that "people are through at forty; it merely means that people are beginning at not over forty." The Washington Board of Trade, through its president, Claude W. Owen, gave out a statement severely criticizing the policy. Mr. Owen said: "To place the stamp of the United States government's approval upon the hypothesis that a man of forty is too old is to make it a laughing stock and a promulgator of a cruel theory that, if used as an example, would terrorize the future of every . . . wage-earner . . . not fortunate enough to own his own business." The practice, of course, is one that has been more or less prevalent in industry for a good while. But to have the Civil Service supporting the theory is a blow to every worker of whatever sort.

FOR YEARS automobile and accessories factories in Detroit, Pontiac, Flint, and Saginaw, Michigan, have operated as open shops. The minute subdivision of labor and chain production, combined with relatively high wages, kept automobile workers wholly unorganized. A year ago at the Briggs Manufacturing Company plants, where Ford bodies are made on contract, all workers struck against intolerable conditions and low wages. A partial success attended this strike and gave some unfavorable publicity to conditions. With the success of the Briggs strike, encouragement because of the NRA, and intolerable conditions to spur them on, an organization of tool-and-die makers and machinists lately took form under the name of the Mechanics' Educational Society. The society claims 22,000 members. In former years these workers received as much as \$1.75 per hour and worked under conditions satisfactory to highly skilled men. Of late the employers have endeavored to impose upon them a working system resulting in periodical speed-ups to eighty and ninety hours per week at wages as low as thirty-five cents per hour, alternating with long periods of unemployment. It is the pride of this labor union that it charges no initiation fee and that the single financial requirement for membership is the payment of twenty-five cents per month. It is not unnatural that the American Federation of Labor has given the union no assistance.

THE OFFICERS of the union complain that they are not represented and that automobile factory laborems are not represented on any of the boards organized under the NRA. They insist that these boards are packed with known anti-labor employers and A. F. of L. representatives equally antagonistic to mass organization of automobile workers. The officers of the union insist that the picketing of shops has been peaceful and say that resistance to their demands

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centers in the shops of Henry Ford, General Motors, and the Murray Body Company. They say that at the plant of the Koestlin Tool and Die Company in Detroit on October 30, 3,000 strikers assembled to encourage their pickets to persuade non-union workers to refrain from entering the shop. As one of the pickets peacefully walked about the plant a large steel nut was thrown from the inside through a window, hitting a striker, Joseph Mayor, on the head. This man, who is married and has had no work for six months, has since been under the care of physicians. Incensed and provoked by this wanton and nearly murderous assault upon a peaceful picket, the crowd damaged the plant. The union complains that this incident was made to appear by the press as a wanton assault by the strikers, whereas the provocation came from the plant itself. The union hopes that through the labor boards of the NRA, or directly, it will be able to obtain recognition and its full demands in regard to wages and hours.

VICE-CHANCELLOR John J. Fallon of the New Jersey judiciary has joined the group of several judges who have failed to read the National Industrial Recovery Act with enough care to know that there is nothing in it which in any way limits the right of workers to strike or to picket. He has mistaken the legitimate efforts of the NRA to settle labor controversies, and in some cases to provide means of arbitration in industrial codes, for a legal superseding of the right to strike and picket. In enjoining the American Federation of Silk Workers against picketing a factory in Bayonne, the judge said, as quoted in the press, that the recovery act empowered employees to bargain collectively but did not "warrant interference by persons other than employees of an employer." If the judge actually read the law which he purports to quote, he must have noticed that the statute says specifically that employees shall have the privilege of bargaining through representatives "of their own choosing." The judge went on with a tirade of obsolescent nonsense against "intermeddlers" and "agitators." It is a pity the "learned judge" never had to earn his living as a day laborer. Even so, he might guess that factory employees elect and pay regular salaries to "intermeddlers" and "agitators" because the employees themselves haven't the time or training to fight their own battles and would lose their jobs if they tried to. The NRA has a hard enough task to apply what is in the recovery act and the codes, as they are, without having the issue further complicated by judges who either can't or don't read.

AS A PLEASANT EXCEPTION to the wails of distress heard on every side, the Consumers' Cooperative Services, a chain of nine cafeterias operating in New York City, announces that after thirteen years in business it is able to maintain the President's blanket code for hours and wages, which calls for a forty-hour week for all employees and a minimum wage of \$15, and at the same time to earn 6 per cent on its money. Mary Arnold, general manager of the organization, declares that the board of directors will petition the NRA to include in the permanent code for the industry provisions to increase the present minimum hourly wage by 40 per cent. "Since April, 1923," says Miss Arnold, "with the exception of ten weeks early this year, we have maintained a maximum forty-eight-hour week for all of our employees. During this period the minimum weekly

cash wage has never been less than \$18 with meals in addition. For part of this time, the minimum was as high as \$20 a week."

A DISTASTE FOR NOISE is one of the last virtues acquired by a child on the way to adulthood or a society on the way to civilization. Some children and some societies never acquire it. Up to recently Americans, like the children they were, rather liked noise. It was the usual accompaniment of machinery—and therefore of progress. The more hullabaloo, the greater proof of an advancing nation. Early automobiles were noisy, and drivers purposely made them noisier by driving without mufflers in order to attract the attention of their friends and enemies. It is only in recent years that noiselessness has become an asset in a motor car. So with typewriters and many other machines. For thirty years New Yorkers have tolerated subway trains with a roar, rattle, and rumpus sufficient to drive hundreds of travelers into insane asylums. Doubtless they have driven hundreds of travelers into insane asylums, though direct evidence is lacking. At last the Interborough Rapid Transit Company announces a method by which cars can be sound-proofed at the slight cost of \$150 apiece. If successful after trial, the method will be applied to all cars. The day when objection to noise rated one as a crank or a fussbox is past. We are coming to realize that noise injures health and by distracting attention dissipates energy and interferes with work. We shall never have—nor would we want—a noiseless world any more than we shall have a painless, a strifeless, or a deathless one, but we can try like the dickens in that direction for a long time to come without fear of overdoing.

THE QUESTION often raised of whether Samuel Insull "got away" with any considerable fortune seems to us presumptively answered by the decision of the Greek Supreme Court, which for the second time has refused the extradition sought by the United States. One recalls the technique of the utility magnate with the former chairman of the Illinois Commerce Commission, as indeed with receptive public officials everywhere who had something that he wanted. In rendering the verdict the presiding justice praised the defendant's achievements as a builder, and indicated his hope that Mr. Insull might bestow upon his second adopted land services corresponding to those rendered in the United States. Based on past performances the Greek capital may therefore soon be blessed with a utility structure somewhat as follows: First will be formed the Athens Gas and Electric Company to supply the Athenian householder. The common stock of this operating company will be held by the Acropolis Arc Light Company, a holding and operating company likewise supplying illumination to the municipality. Its common stock will be held by the Lacedaemon Light and Power Company, which in turn will be controlled by the Hellas Heat, Light, and Power Company. Above this will in due course be placed the Peloponnesus Power and Light Company. At the pinnacle of the pyramid will be Ilion-Insull Securities, an investment trust which, together with Olympus Offerings, Inc., a finance corporation, will acquire, hold, and trade in the securities of the lesser companies below. Retribution has traditionally been the central theme in Greek drama, and Nemesis may be shaping the plot of the tragi-comedy that began to unfold when Greek met Insull.

The Audacious Swope Plan

GERARD SWOPE of the General Electric Company has revamped his previous scheme for a big-business dictatorship of the country. He would have the NRA surrender its functions and its power to a super-organization of manufacturers and merchants. Never has a more far-reaching plan for big-business control of our economic life been proposed.

The Swope plan of "industrial self-government" was first advanced in September, 1931. It proposed in the main that industry be allowed to work out its own problems through the organization of industrial or trade associations. These associations were to straighten out the many difficulties from free competition, which obviously would have meant the apportionment of markets and the establishment of other monopolistic practices. But several obstacles stood in the way. Commenting on the Swope plan in the *New York Herald Tribune* of September 17, 1931, Mark Sullivan said:

Mr. Swope starts with the principle that insurance of continuity of employment is a matter for industry itself to provide, and not the government. So far that is identical with old-fashioned Democratic doctrine and old-fashioned American doctrine. Immediately, however, Mr. Swope says that business, in order to insure continuity of employment, must have immunity from the Sherman anti-trust law. He does not say this in so many words; but he, as well as the lawyers who advised him in the preparation of the plan, understood perfectly that the plan involves scrapping, or at least modifying, the anti-trust law. Some lawyers believe also, although others do not, that the plan would require modification of the Constitution.

In brief, Gerard Swope was proposing that big business be freed of all the restraints and control which had been imposed upon it by Congress and the Constitution.

By a remarkable coincidence the National Industrial Recovery Act provides for the formation of industrial associations of precisely the sort Mr. Swope must have had in mind. More than that, it exempts from the Sherman and Clayton acts companies that join in such associations and abide by their rules, that is, by their respective "codes of fair competition." It is also a moot question whether the Constitution has not in fact been stretched a bit to cover this legislation. To this extent the original Swope plan appears to have been almost fully realized. Indeed, it is doubtful that without the help of the recovery act industry would ever have brought itself to its present state of organization or have adopted rules of "fair competition."

At first glance it may appear inexplicable that big business should now want the NRA set aside. Apart from the dispute over recognition of independent labor unions, big business seems for the most part to have had its own way with the NRA. This is revealed by close analysis of the major codes. Actually, of course, this is only half the story. To begin with, the first Swope plan did not envisage the sort of relationship between workers and employers set up by the recovery act. It would, instead, have had employers deal with the workers on a company-union basis. Secondly, the

exemption from the anti-trust laws which big business gained under the NRA has been offset by the licensing power granted to the President and by the right of the government through the NRA and other agencies to intervene in business affairs. Lastly, and most importantly, the NRA was created by act of Congress. What Congress has given, it can also take away, or at any rate modify in response to public pressure. This apparently is not what Mr. Swope had bargained for.

It is no accident, therefore, to find him now urging that the power to interpret and enforce the recovery act be taken out of the hands of the government and given to a select council of private manufacturers and merchants. He would keep the trade associations and "codes of fair competition," but turn the administrative job over to a "National Chamber of Commerce and Industry." The governors of this chamber would elect a panel of members to "sit in Washington and act as a board of appeals on any questions that may arise in the interpretation and enforcement of the national code provisions, and will endeavor to see that such interpretations are consistent." Thus, the recovery administration would no longer be accountable to Congress, but only to a national organization dominated by the strongest business interests. True, the plan provides for the appointment by the President of an undetermined number of public representatives to sit with the board of appeals. But what would such public representation amount to? In the final analysis the power of enforcement cannot be divided. If the government representatives were to be clothed with real power, then there would be no point in transferring this authority from the NRA. Conversely, if the real power were to lie with the business men on Mr. Swope's board of appeals, the Presidential appointees would be mere window-dressing.

Mr. Swope would remove the last vestige of social control over business and let business run itself. The consequences of such a step would be too horrible to contemplate. We cannot simply set aside business as such and tell the business men to go ahead and run their own affairs to suit themselves. Our social and business interests are inextricably interwoven; the welfare of the one depends and must depend upon the control and administration of the other. Thus, if we turn control of the national economy over to big business without imposing any genuine social checks, it would mean placing our political, social, and cultural interests as well at its mercy. We should then have a big-business dictatorship of the country in the truest and worst sense of the term.

We are exceedingly happy to note that President Roosevelt has taken a firm stand against the Swope plan. *The Nation* has had occasion in the past to make specific criticism of the NRA. But as between the NRA and the Swope scheme there can be no hesitation. Under the former there will always remain some hope that the public through Congress can exert some influence over the existing Rooseveltian "partnership" between government and business. Under the latter there would be virtually no public or social control.

The Swope plan must be spiked at once lest its proponents take advantage of the present discontent to force it upon an unsuspecting country.

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The Securities Act: An Official View

IN view of the vast amount of space given by the press of New York City to the laments of Wall Street against the Securities Act of 1933, it might be expected that when an authoritative interpretation of the act was finally offered by one instrumental in the drafting of the legislation and now charged with its administration the press would be equally zealous in opening its columns to the clarification long clamored for by the financiers. But the address delivered before the fall meeting of the New York State Society of Certified Public Accountants at the Waldorf-Astoria on October 30, by James M. Landis, newly appointed member of the Federal Trade Commission, was strangely minimized or ignored by the newspapers of New York City, despite the fact that the same Dr. Landis, then professor at the Harvard Law School, was one of the drafters of the act which was passed last spring.

The *New York Times* could find only two brief paragraphs for Dr. Landis's remarks. This was a tiny story on an inside page of its financial section under the carry-over of its column-and-a-half dispatch from Hot Springs, headed "Security Act Held Bar to Recovery," recounting the fervid pleas of the gentlemen assembled at the convention of the Investment Bankers' Association for relaxation of this legislation. The *Herald Tribune* was somewhat more liberal in its treatment of Dr. Landis, granting him a five-paragraph secondary story on its financial page not far from its leader story of more than one column on the lamentations at Hot Springs. The *World-Telegram* devoted the last two paragraphs of its Hot Springs story to a summary of Dr. Landis's speech, although it failed to call attention to his remarks by any mention in the headline. The *Evening Post* could spare no space at all for what Dr. Landis had to say, nor could the *Sun*. The *American* had a five-paragraph story on its financial page, while its account of the doings at Hot Springs ran a column and a half. The *Wall Street Journal* alone gave a full account of the address.

One would hate to suspect that consideration for financial advertising could have had any influence in this virtually unanimous decision to overlook the importance of this first comprehensive and authoritative interpretation of a law which has brought so many cries of anguish from Wall Street. It may have been that the press was impelled by a sense of delicacy in playing down the authoritative view which would have conflicted so widely with the carefully planned propaganda unleashed by the Investment Bankers' Association. In fact, Dr. Landis's clear analysis of some of the most controversial provisions of the act could not fail to prove embarrassing to the gentlemen who have striven so frantically to bring about its modification through alarmist prophecies of its devastating effect on the capital market.

In his address Dr. Landis answered first the frequent charge that the securities act represents hasty, ill-considered legislation, drafted at a time of public hysteria. He pointed out that the drafters of the act drew on the long experience of Great Britain with a similar problem, culminating in the English Companies Act, that the extensive State legislation on securities regulation was available as a guide, and that Con-

gress itself had dealt on previous occasions with similar bills which had failed of enactment. "In other words," he said, "the securities act embodied little that was novel in conception, nor did it emanate from a Congress that for the first time had been called upon to consider the problem of securities regulation."

Dr. Landis dwelt in particular detail on the question of the civil liability imposed by the act for misstatements or omissions of material facts on the issuer, the directors and officials, the experts, and the underwriters. This is the principal point on which the opponents of the act have based their claim that responsible corporations would find it impossible to market their securities in the future. He called attention to the fact that all liability under the much-disputed Section 11 arises from statements required to be included in the registration statement, thus contradicting the contention that failure to state any minute fact might provide grounds for civil suits.)

To a Wall Street which has been carefully unable to define "material," Dr. Landis explained that "facts become material for the purpose of omissions and misstatements when, as a consequence of such omissions and misstatements, non-existent values are attributed to a security." In answer to the charge that the potential liability imposed on signers of the registration statements is so vast as to prevent any responsible persons from undertaking such a role, he gave the reasonable reply that while, in theory, each signer can be held to a liability equal to the total offering price of an issue, in actual practice "no such large liability exists." He pointed out that "the value of a carefully floated issue can hardly be assumed to reach zero," that "every purchaser would be hardly likely to bring suit," that "the issue of liability would be retriable in every suit," and that "each person liable has a right of contribution against every other person liable."

Dr. Landis also gave attention to the continuing conditions necessitating regulation by the act and to the nature of the efforts now being made to bring about its modification. In the latter connection he paid tribute to the activities of many of his fellow-lawyers, stating: "... the opinion of the bar reflects too accurately the condition of the capital market. Were it booming, were the bond market boiling, were the bankers eager to handle issues, the tendency of the bar, I suspect, would be to minimize the liabilities of the securities act." And as for Wall Street's reform, he said: "... my good friends tell me of a reformed investment profession. . . . But the evidence of even a sudden conversion is lacking, wholly irrespective of its permanency. Examination of some of the security issues . . . that hurriedly preceded the effective date of the securities act indicates that little change from earlier methods has taken place. Nor can anyone who has watched carefully the amendments that have been made to registration statements now on file with the commission, and seen the reluctance that accompanied the recital of certain very relevant but unpleasant facts in these same registration statements—sometimes only upon the threat of stop-order proceedings—hold much of a brief for minimizing civil liability."

Portrait of a Banker

"**B**USINESS is business" is an old adage, as honored in American tradition as that similar dictum, "I'm not in business for my health." Both sayings are intended indirectly to convey the truth that in the normal course of business one man's profit is another man's loss. Business under the profit system is covertly recognized, even if not openly acknowledged, as a kind of warfare—conducted with comparable losses and an equivalent ruthlessness. But as in war there have developed among men of a similar sort some more or less accepted ethics, so certain rules have evolved in business. Those which gain general recognition over a considerable stretch of time are apt to be enacted as laws, and so—unlike the ethics of war—acquire a power of enforcement behind them. But there remains a periphery of unlegalized ethics in business. Like the ethics of war, they are common denominators of mutual convenience and advantage. As in war, they usually are broken whenever in a pinch one party or the other finds its convenience and advantage no longer served, but they are not without value while they last. At the least they give one an indication of where and how the other fellow may or may not strike.

In the recent past this unlegalized code of ethics was especially strong and extensive in banking. Bankers held themselves, and were held by the public, to a stricter code than that in general business. The portrait of the old-time banker was that of a shrewd, hard man who would exact the highest interest he could get and foreclose on a defaulting debtor without mercy. But he was personally honest, able, and scrupulous in regarding himself as virtually a trustee for his depositors and stockholders. Since the Coolidge era the portrait of the old-time banker has been painted over, and a new likeness has been depicted on the canvas which many persons find shocking. It is hard to say whether the new portrait shocks most because of its revelations of incompetence or its attestations of dishonesty. Also it would be rash to say that the banker is revealed as more incapable or crooked than other business men. The fact seems to be merely that we have found out more about him. But one assertion may be made with certainty: the banker has lost the fiduciary capacity in which he once served depositors and stockholders. He is no longer a trustee of any but his own interests. As Boss Croker once admitted of himself, he is working for his own pocket all the time.

The portrait of the new banker has been painted with vigor and clarity by the Senate Committee on Banking and Currency at its recent sessions in Washington, and its best model to date has been Albert H. Wiggin, formerly head of the Chase National Bank. The portrait of J. Pierpont Morgan showed an inept successor to previous power and that of Charles E. Mitchell of the National City Bank depicted a glorified office boy. But Mr. Wiggin is a man who knew banking as it was practiced in the Coolidge era and practiced it to the upbuilding of his bank. At the same time it appears now that he practiced it even more to the upbuilding of his own fortune. He is standing disproof of the theory that high pay consecrates an executive to disinterested service of a business and raises him above the temptation to maneuver for his own financial interest. Although Mr. Wiggin

received \$1,367,000 in salary and bonuses from his bank for the last five and a half years of his service, he was busy all that time exploiting his position in his own and his family's interest. He organized six family corporations (three of them in Canada with a view to saving income taxes). Although it is against the law for an officer of a national bank to borrow from it, one of Mr. Wiggin's family corporations received loans from the Chase in 1928 and 1929 totaling \$11,820,000. Most notable of all, perhaps, Mr. Wiggin had his weather eye peeled in 1929, and a month before the crash in stocks he sold 42,506 of his bank's shares short for himself and his family, netting a tidy profit of \$4,000,000.

In his income-tax returns Mr. Wiggin followed the common practice of paying as little as possible without running afoul of the law, but he made considerable payments notwithstanding. Whereas Mr. Morgan and his partners paid no income taxes in 1931 and 1932, the Wiggin family made payments for the five-year period 1928-32 amounting to \$4,624,905. This may indicate, though, only that the Wiggin family was more successful, not more scrupulous, than the Morgans.

Keeping up with the Wiggins is a dizzying job. Perhaps it is a futile one. But the portrait of a banker which the Senate committee has painted with the head of the house of Wiggin as a model should convince almost anybody that whatever evil may lurk in government banks and banking, it could not well approach the scandals which have developed under private control.

The Reichstag Trial

THE alarming farce known as the Reichstag trial continues to drag itself through the newspapers. Beginning on September 21 with the "confession" of Marinus van der Lubbe, the young Dutchman who was allegedly found running away from the burning building—or rather beginning with his mere confirmation in monosyllables of a confession obtained by the police while he was being held for trial—the testimony has gone on for six weeks without anything more definite coming to light than was evident on the first day. Then Van der Lubbe, when asked by the presiding judge if he had set the Reichstag fires, answered "Yes!" in a loud, clear voice, although he refused to elaborate his reply. Since then the prosecution has vainly attempted, by the testimony of scores of witnesses, to connect Van der Lubbe with the four other defendants—Ernst Torgler, floor leader of the Communist Party, and three Bulgarian Communists. The state has aimed to show that the Dutchman's act of arson was part of a Communist plot, but the plot has stubbornly refused to be disclosed. Torgler, who voluntarily gave himself up when he first heard that Communists were thought to have been instrumental in starting the fire, has throughout the trial steadfastly and with extreme dignity not unmixed with scorn for his persecutors maintained his entire innocence and ignorance of the affair. The three Bulgarians, knowing little German, have followed the proceedings with difficulty, but at least one of them, Georgi Dimitrov, has by his sarcasm and his pointed and loud-voiced criticism of the court, kept matters in such a turmoil that he has been ejected half a dozen times from the proceedings, thus providing the

world with the delightful spectacle of a man accused of a major crime who is not permitted to be present at the legal proceedings which may result in his death.

In short, if the lives of five men did not hang in the balance, the whole affair would make a splendid comic opera. The defendants, in the first place, have never been fully apprised of the charges for which they are standing trial. Whether it is the simple act of burning the government buildings or treason against the state or being party to a Communist plot—each of these appears from time to time and is superseded by another. When it became evident that Torgler's alibi on the night of the fire was unassailable, then it was declared that there was to be no attempt to connect him with the actual setting of the fire, but merely with instigating it. The barrier of language is a very serious one. Torgler is the only one of the five defendants who is familiar with German. Van der Lubbe speaks it and understands it only with difficulty, the three Bulgarians even less, and protests have been made from time to time by foreign correspondents over the inadequacy of the translations offered them by official translators. The defendants were not permitted to choose their own counsel but were forced to accept counsel appointed by the state. Persons who are so foolhardy as to present themselves as witnesses for the defense are running the risk of being included in a general accusation of treason, and many of them have undoubtedly fled the country. Finally, there is no attempt to reconcile conflicting testimony.

Arthur Garfield Hays, as the representative of the international jurists' commission which took testimony before the trial and wished to urge the innocence of the accused, was present at the proceedings until the end of October. Mr. Hays has declared that "no impartial person can fail to come to the conclusion that Torgler, Dimitrov, Popov, and Tanev had nothing whatever to do with the fire directly or indirectly." And he added: "These four defendants are innocent. I believe they will be acquitted." One can only hope that Mr. Hays is right, but there are reasons for doubt. The character of the testimony that is admitted is not encouraging. In the beginning of the trial Torgler's lawyer, Dr. Alfons Sack, attempted while he was on the witness stand to question Judge Vogt, who made the preliminary investigation in the case. According to the report in the *New York Times*, "Judge Vogt drew himself up to his full height and said: 'I am a German judge. I am a member of the Supreme Court and, besides, my name is Vogt. I have never done anything contrary to the honor of a German judge.'" And later on in the proceedings the presiding judge, after an attempt had been made to challenge one of the prosecution witnesses, solemnly averred: "It is unheard of that any suspicion should be cast on the veracity of officials!" More truly alarming is the picture presented by Van der Lubbe himself, a man crushed to the point of inarticulate idiocy by the weight of something—who can say what?—which makes him speechless most of the time and leads him to answer questions directed at him with a muttered monosyllable or with a laugh. The force that is annihilating Van der Lubbe hangs over the whole trial like an ominous cloud. It may be that he alone will pay the penalty and the others will escape to prove the benevolent justice of the Nazis. But one has only to follow the trial in detail to feel how far removed the present regime in Germany is from the ordinary practices of the rest of the world that are familiar to us.

Statesman's Logic

A REALLY brilliant non sequitur is one of the most charming productions of the human mind and by no means to be confused with such minor products of unreason as the undistributed middle or the definition which does not define. Muddled thinking of the sort which suggests nothing more than an intellect somewhat below par is merely depressing after the fashion of all mediocrity, but when a vigorously incompetent mind triumphantly produces a masterpiece of illogicality it has the beauty of art.

Take the masterpiece produced by Mayor O'Brien of New York and preserved for posterity in the *New Yorker's* admirable portrait of this statesman. Speaking to a company of journalists, and determined as ever to exhibit his sympathy with whatever race or profession happened to be engaging his attention at the moment, he declared, "I have always thought that I would like to be a newspaperman myself, *because I love the classics and I love good literature.*" To criticize that one must adopt the methods of the impressionists. What could constitute a more perfect expression of the Mayor's habitual mode of thinking? Would it not, if deliberately evolved, be a supreme example of irony? Does it not almost suggest greatness of the same sort as that which all succeeding generations have recognized in the confession "Credo quia impossibile est"?

Until last week we had, indeed, regarded Mr. O'Brien's words as the finest flower in an anthology of non sequiturs which we have been patiently formulating, but now we feel that it must yield first place to a masterpiece just achieved (again in New York) by Dr. Julius Richter, professor of theology and foreign missions in the University of Berlin and at present a visitor to the United States for the purposes of interpreting the new Fatherland to us and of reporting to the German people his impressions of our attitude toward them. He was speaking before the Federal Council of Churches of Christ, and since certain other speakers had expressed themselves forcibly concerning the persecution of the Jews, he was more than a little conciliatory. He was not, he said, a Nazi. He deplored the anti-Semitic wave as an unfortunate by-product of a burning national enthusiasm and assured his hearers that it was only a passing phase. But when the sacred name of Hitler was mentioned, he confessed his reliance upon the "wisdom and soundness" of that great leader. It was, moreover, at this point that the triumph of his logic was reached. We can rely upon Hitler not to let "such things" go on *because*, he said, Herr Hitler "doesn't drink, doesn't smoke, and leads an exact moral life."

Surely this is Lewis Carroll come to life again. The logic is the logic of the White Queen, and meditating upon it our brain reeled. In a vision we saw again the desolate seashore where the mock turtle once sighed and where the carpenter "wept to see such quantities of sand." From the distance came the music of the lobster quadrille, and our Mayor, looking something like an oyster, was dancing gaily with Dr. Richter. "Adolf Hitler," sang the latter, "will not persecute the Jews because he loves the classics and he loves good literature." "I," shouted the other gaily, "have always wanted to be a newspaperman because I don't drink, I don't smoke, and I lead an exact moral life."

Issues and Men

Litvinov and Recognition

"MAXIM LITVINOV lacks Chicherin's formal diplomatic background and training; but he possesses a naturally keen mind, quick to seize a point in negotiation and slow to relinquish it." Thus writes William Henry Chamberlin in his book "Soviet Russia" of the man who has just landed in America to negotiate with Franklin Roosevelt for the recognition of the Soviet Government. He is a Jew, and he took part in the revolution with Lenin. He is, Mr. Chamberlin adds, "a portly, paterfamilias type of man, who, with his lively English wife, usually presides at the entertainments which the Foreign Commissariat gives in the ornate 'Sugar King's palace' directly facing the Kremlin. . . ." He is an effective speaker, or was when I heard him at the World Economic Conference in London last summer. He has sarcasm and wit, and he has used that sarcasm repeatedly with telling effect in the negotiations of the Disarmament Commission at Geneva.

There, in London, and elsewhere Litvinov has shone because he was able to make concrete and sincere proposals for disarmament and for economic rehabilitation. Had the Allies really meant business in the matter of disarmament, they must have seized upon the radical proposals made by Litvinov for general disarmament; had they done so, Hitler would not be in the strategic position he now occupies. In London Litvinov's offer of a billion dollars' worth of business from Russia to prime the various capitalistic machines, provided that proper terms were granted, was the only substantial contribution made at that abortive conference. If he succeeds on his present mission, the United States will get the bulk of that business, provided that the necessary arrangements are made for the credits for which Russia must ask. He was the only man who came back from the London conference with some real bacon, for he took the opportunity while the conference was wasting time to go over to Paris and carry on some important negotiations with the French government to improve mutual trade relations. He also negotiated non-aggression treaties with a string of border states from Afghanistan to Esthonia, induced Great Britain to abandon its embargo on Russian imports in return for the release of the two convicted British engineers, and borrowed \$4,000,000 from the United States with which to buy American cotton. As *The Nation* said at the time: "He is the 'Boy Who Made Good' of the conference." More than that, he laid the foundations for the subsequent non-aggression treaty with Poland which is one of the wonders of the world.

The thing that has amazed me about the public reception of the President's announcement of his readiness to negotiate with Russia for resumption of relations is that there has been no terrific outburst of protest from the Daughters of the Revolution, the Sons of the Revolution, Ham Fish, or Ralph M. Easley. I thought that they would be holding mass-meetings at Carnegie Hall and making the heavens ring with denunciations of the proposal to take the bloody hands of the Russian Communists, the would-be destroyers of the sacred Christian religion and, what is worse, of the still more

sacred right of private property. But there hasn't been a peep from them. The truth is that these people are in a hole because they belong professionally to the "stand-by-the-President-and-the-government" crowd. They are always for upholding the authority in Washington and ready to hang dissenters every day of the week. Now, if they oppose Russian recognition, they will be in the position of assailing the President in this grave crisis in our history. They will be "rocking the boat," something that no respectable S. A. R. or D. A. R. or stock-gambling bank president ever does.

Of course I do not mean to imply that the ever-vigilant Ralph Easley is asleep. Dear, no. That high-minded and liberal-spirited person has just sent out to the newspapers on behalf of a society with a short name—"The American Section of the International Committee to Combat the World Menace of Communism"—a pamphlet called "Communism in Germany" which, as its subtitle tells us, contains "the truth about the Communist conspiracy on the eve of the national revolution." In other words, this is a pro-Hitler pamphlet, by one Adolf Ehrt, intended to justify the Nazi revolution on the ground that it alone saved Germany from going Bolshevik. If this action does not entitle Mr. Easley to the historic German decoration of the Red Eagle, Third Class—if the Hitlerites have revived the medal which once hung so proudly on the breast of Nicholas Murray Butler—I do not know what could. And his associates on this committee? Why, they too are among our most progressive and public-spirited citizens, all old, dear friends: our modest, but not forgotten, Archibald E. Stevenson of the New York Committee to Investigate Seditious Activities; Harry A. Jung of the American Vigilant Intelligence Federation; Elon Huntington Hooker, chairman of the American Defense Society; and then our favorite New York Congressman, Ham Fish, Jr. These men will some day be heading us into the fascist camp and will justify their attempt to wreck the American republic on the ground that they had to do it to save us from these horrible Litvinovs and Stalins. Heaven bless their souls, they will never learn that the real dangers to America are the Albert Wiggins, the Charlie Mitchells, and their ilk, plus the Samuel Insulls and more of that stripe, to say nothing of the tariff barons and other ruthless exploiters of the American people.

Well, the world goes on and Litvinov is here to negotiate with the President, to the special chagrin of Ralph Easley's new ally, Adolf Hitler. To my mind there can be only one just criticism of Franklin Roosevelt in this connection, and that is that he did not recognize Russia on March 10, last. How amusing it would be if this new Russian business turned out to be just what was needed to prime and start up the great American industrial engine!

Donald Garrison Killard

U. S. A. and U. S. S. R.

By LOUIS FISCHER

WHEN Germany announced her exodus from the League of Nations, the shares of European armament companies rose several points. When President Roosevelt addressed President Kalinin on the advantage of normal relations between the U. S. A. and the U. S. S. R., armament shares dropped several points. The stock exchange is at least a good seismograph. There is no doubt that the establishment of official contacts between America and Russia will somewhat arrest the earth's mad rush toward the next war to make the world safe for—what will it be this time? For this reason, and for many other reasons, it is all the more regrettable that the White House chose the longer and unnecessary road to recognition through negotiations. A government that is sixteen years old, that is eminently stable, that maintains relations with most of the nations of Europe and Asia, that has contributed heavily to international peace, and that has bought about \$700,000,000 of American goods should not have to discuss the terms of its recognition by Washington. The fact that former administrations did not have enough statesmanship to recognize Russia need not compel a real statesman to complicate the process. The Soviet government, I believe, takes the view that it does not object to negotiations but finds them superfluous. Recognition is usually automatic and unconditional. Never before has Moscow engaged in official negotiations regarding recognition. This position was upheld successfully with Great Britain, Italy, France, and Japan. Of course, a few technical preliminaries of recognition can be arranged in brief conversations. Thus in October, 1924, Christian G. Rakovsky, then Soviet Ambassador in London, quietly met with the French Minister, de Monzie, at Dover, England, to settle the details of recognition by France. They approved each other's notes announcing the assumption of relations and agreed on future ambassadors. Negotiations began only after recognition. This is the proper and logical procedure. For recognition creates an atmosphere conducive to mutual understanding.

One naturally assumes, therefore, that President Roosevelt has not summoned Maxim Maximovitch Litvinov to Washington just to go through the routine of recognition or even for the purpose of making it impossible for himself not to recognize. It could be argued that Franklin D. Roosevelt sent his introductory message to Kalinin and invited a Soviet plenipotentiary to the White House in order to make a difficult situation easy: if attacked because he had recognized, he could reply that his note to the Kremlin was not recognition; and if he recognized later, he could say that it was impossible to withhold recognition after the Foreign Minister of a great Power had come to the capital of the United States in response to a message which set forth the benefits of normal relations. But recognition is far more popular with the business man and the average American than its loud professional opponents like to think, and the postponement of the definite act is merely an unexpected opportunity for these false patriots to stage the final scene of their anti-recognition racket.

It is conceivable, therefore, that Litvinov will not make

the trip from Moscow to Washington only for the sake of working out a formula on mutual non-interference in internal affairs and on debts. This is too simple a matter. Litvinov is a big statesman, and Roosevelt, in his dispatch to Kalinin, stressed the fact that he wanted to negotiate personally with Moscow's representative. But even if all this excitement is necessary in order to "sell" the idea to the American public—which I seriously doubt—it can be made the occasion of something more than an exercise in English style which should last forty-five minutes and could have been delegated to lesser men.

Litvinov brings with him the authority to negotiate not only about the dead issues of the past, but about the rich future of Soviet-American relations. The world is now in a period of peaceful capitalist-Communist coexistence which can last till the next big international war. Nothing threatens American capitalism except its own failure. There is no foreign menace. If President Roosevelt grasps this fundamental truth, and then proceeds with realism and imagination, his conversations with Litvinov may acquire tremendous historical significance.

While petty politicians and fretful spinsters in Tennessee and Connecticut were worrying about Communist propaganda and wondering whether recognition might not mean the loss of their bank accounts, the Soviet Union was emerging as an economically powerful, keen, progressive, go-getting nation. The sleepy, indolent, culturally backward Czarist regime is as dead as Babylon. For dynamic urge to national greatness, for the vision of its builders, for its untold reserves of human energy, the U. S. S. R. has an equal only in America. And now, for the first time and after sixteen years of futile separation (what good did non-recognition bring anybody?), these two world giants meet in the shape of Franklin D. Roosevelt and of Maxim M. Litvinov, who speaks for Stalin. Will this eventful meeting result only in a barren communique about claims, counter-claims, and non-interference? Or will the foundation be laid for close commercial-political collaboration which must benefit both countries and bolster up the badly shaken structure of international peace?

I am under no illusions about the possibility of furthering the cause of peace by means of holy phrases or long-winded assemblies. If the Geneva Disarmament Conference was not conceived with a view to misleading the millions who do not wish to be killed by poison gas, flames, bacteria bombs, shells fired through the stratosphere, torpedoes dropped from aeroplanes, or similar devices of modern civilization, its proceedings at least gave them the false impression that something was being done toward arms limitation. It thus silenced the cannon fodder of the future, and helped the cannon-makers to work in peace. After eight years of disarmament conferences, the world has more armaments. Geneva was a soporific. Dangerous war areas multiply. The Far East is one of the worst of these. In Tokio a terrific battle is in progress between the civil authorities who want to try the alternative of amicable settlement and the military whose aim is to fight America or Russia, and, on the other

hand, between the navy which dreams of a glorious test of strength with the United States fleet and the army which yearns for laurels that grow in Siberia. Under such circumstances, a Soviet-American understanding becomes a mighty lever for peace. No one suggests a military alliance, or even an anti-Japanese policy. But the mere knowledge that Russia and America are on speaking terms and that they might consult in an emergency would perhaps bring some of the madmen of Tokio to their senses. To the Nazis, the Roosevelt message to Moscow, which may have been predated to avoid the impression that it had connection with Germany's departure from Geneva (the message was dated October 10 but published October 21), was a rude shock. For six days after Hitler had used the radio to justify his rebuff to the world and at the same time to offer his services as capitalism's gendarme against "spiritually revolutionary, expansionist-Asiatic" Russia, America, the citadel of capitalism, stretched out three fingers to red Moscow.

The U. S. S. R. is half of Europe and bulks large in Asia. On both continents a Russian-American rapprochement will serve notice on the lovers of war to check their wild plans. Soviet economic progress and the recent improvement of foreign political ties with France, Poland, and Rumania give Soviet Russia much more weight in Eurasian affairs than the Czar had. And Moscow will use this influence against war. No matter what the circumstances, the Soviet Union is most unlikely to participate in any world war unless its territory is invaded.

I come now to the question of trade. Nothing is gained by exaggerating the potentialities of Russian-American business. Talk about five-billion-dollar purchases is unreal. But certain things are very real. In the first place, Hitler's open hostility to the Soviet government, his expansionist designs in the East, and Germany's inability to grant sizable long-term credits will, in the event of recognition by the United States, mean that the orders which previously went to Germany—and the Soviet government bought most of the machines for the first Five-Year Plan from German factories—will now go to American firms. Any number of Russian industrial problems—long-distance transmission of electricity, for instance, or transcontinental transportation—are paralleled only in the United States, and innumerable types of equipment which have to be manufactured specially for Russia in Germany are used in America and can be bought from warehouse stocks. Only American industrialists can boast that they have, or had, the pioneering spirit and the vision for large-scale accomplishments which now move the Russians. Americans understand the Soviet Union better than do the citizens of any other country. This understanding, coupled with the financial facilities of the Reconstruction Finance Corporation, could become the basis of intimate commercial cooperation.

I believe the Soviet government needs, and can buy in 1934, American goods worth at least \$100,000,000. Most of this will be mechanical equipment for the reconstruction of the railway system, other machines, cotton, cattle, copper, and Cuban sugar. To a certain extent President Roosevelt has it in his power to determine the character of the second Five-Year Plan. If the Soviet Union receives no large credits, the plan will concentrate on enterprises such as canals, the mechanization of agriculture, road building, and the development of light consumers' industries—on activities, in other words, made possible by the first plan. If it receives

credits, it will probably erect another large automobile plant, several gigantic hydroelectric power stations, more steel mills, as well as many factories for the production of consumers' goods. People incapable of thinking will immediately enter an objection: Why should we help industrialize a foreign country? Will it not then cease to buy from us? The answer is a decided no. Industrial nations are always the best customers. England is a big importer and so is the United States. The more a country develops, the more it needs and the more it can pay for. The Soviet Union is no exception. America cannot stop Soviet industrialization; she can only somewhat slacken its pace or facilitate it.

Experience has convinced most persons—and if experience has not, my arguments will not either—that the Soviet government pays its bills loyally, willingly, and punctually. It is estimated that, apart from its exports, the U. S. S. R. has an annual fund of some \$120,000,000 from which to meet its foreign obligations. This sum comprises gold production amounting to about \$60,000,000 a year, transfers from foreign relatives to the amount of \$20,000,000, and "internal exports," or sales to the population for gold and foreign currency, of \$40,000,000. At any rate, Moscow has a plan, and it will not buy unless it knows it can pay. The longer the credits and the better the terms, the more Russia will purchase.

The Roosevelt-Litvinov conversations, therefore, are an opportunity. The President can approach them in many ways, but they will yield best results if he sees the situation in its broader aspects and wider political perspectives. It is wiser to write history than to extract a few small concessions. But should Mr. Roosevelt prefer to bargain, he will find Litvinov a shrewd and stubborn negotiator. And the commissar is too clever to content himself, as Ramsay MacDonald and Herriot did last spring in Washington, with an official communique which hides failure and only makes a first-page story for White House correspondents. Litvinov hates correspondents. Incidentally, it is to be hoped that Litvinov's American sojourn may teach him, among other things, to respect the power of, like, and even understand the members of the fourth estate.

If Roosevelt's pourparlers with Litvinov move on a high plane of future policy, the President will probably survey the results of his recovery program in relation to foreign trade. Whatever have been the effects of the NRA, public-works construction, and agricultural reforms, they do not seem to warrant economic nationalism as an exclusive policy. The indications are that Washington is already thinking of Latin American trade, and is therefore especially sensitive to the reaction of Cuban events on the forthcoming Montevideo conference. Washington might also think seriously of Soviet trade. The Soviet Union is larger, richer, more populous, and since it has had its revolution, safer than Latin America. It cannot be repeated too often, accordingly, that in respect to American economic conditions, to America's position on the Pacific, and to the cause of international peace, Soviet-American relations are of tremendous moment.

I have the temerity, in conclusion, to offer a word of advice. On the assumption that the Roosevelt-Litvinov meeting leads to recognition, it is important to remember that much will depend on the caliber of the ambassadors appointed. Moscow and Washington are far from each other, and while the cables erase distance, the frequent per-

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sonal contact between envoy and his chief executive which is so valuable in diplomacy must necessarily be absent. Moscow, moreover, is famous for its petty irritations and relative discomfort. A big man will rise above them. Small men have been known to change their attitudes under the influence of

them. The Soviet government is certain to send to Washington a man of great ability, charm, and culture.

[An article by Mr. Fischer entitled *The Russian Revolution Goes On*, written on the occasion of the fifteenth anniversary of the Bolshevik Revolution, will appear next week.]

The Cooperatives and the NRA

By JAMES PETER WARBASSE

THE fact that labor was recognized and that a machinery for protecting labor's interests was set up in the NRA indicates that the situation last March was considered desperate. And for the consumers to have been given representation in the administration of the NRA is a circumstance that should make us fear for the security of our institutions. It is doubtful that in any previous economic crisis in this country things have been so bad that it was felt necessary in rehabilitation measures to give consideration to the public as consumers.

The existing economic system demands that the consumers shall constitute the sea in which business may fish and take out all that it can. To make the consumers the main object of consideration would mean the destruction of the prevalent form of business; and the people of this country are in no state of organization, information, or even intelligence to face such an event. Still a Consumers' Advisory Board was established in the NRA. The consumers were provided with a mechanism to protect their interests, if not to take aggressive steps in their behalf. The need of giving them consideration is pressing, because neglect of the consumers was a contributory cause of the collapse of 1929, and it is that neglect that still helps to maintain the depression. Some consideration, therefore, had to be given them in the rehabilitation movement.

The representatives of the consumers have had to stand aside while industry and labor got all they could out of the codes. But the consumers must ultimately have their turn, a turn which even the Retail Code has given them only in the vaguest and most inadequate way. What are the things that might be considered to be for the good of the consumers by a body devoted to their interests? The following have been presented to the Consumers' Board as the "long term," fundamental matters of most concern to the general public:

1. Statistical research into costs at each stage of the industrial process, placing in the hands of the consumers the information upon which an understanding of profits might be based.

2. The amount of profit that may be taken in the progress of a commodity from the point of production of raw material through its various stages to the consumer.

3. The overhead costs, expressed in salaries of officials, payments to subsidiaries, and stock-purchasing privileges, which are factors of concern both to the consumers and to labor.

4. Efficiency methods in the interest of economy and lower prices.

5. The elimination of middlemen and unnecessary handling.

6. Unemployment insurance, provided by the industry,

to take care of the unemployed whom industry now turns out on the streets to become a burden upon the consumers.

7. Knowledge concerning unhealthful factors in foods, cosmetics, and other commodities, now beyond the control of the Food and Drug Act.

8. Spurious materials, fraud, and the whole question of quality. The services of such institutions as the research laboratories of cooperative societies, the Bureau of Standards, and Consumers' Research might be expanded for wider consumers' protection.

9. The organization of the consumers to procure better access to the things they want. Education in consumers' co-operation and promotion in this field are carried on by several agencies of the federal government. Among these are the Editorial and Research Division of the Department of Labor and the Cooperative Division of the Farm Credit Administration. This education is most effectively promoted by the consumers' cooperative societies through methods of their own devising and the object lessons supplied by their successful operation.

10. The use of existing cooperative consumers' societies as nuclei around which to crystallize the interests of consumers. This is an immediate opportunity. There are some 4,500 of these societies in the United States, and many more consumers' supply organizations that could be made cooperative. These societies are more successful than is profit business in the same fields. Their failures have been fewer, their losses less, and the number of employees dismissed smaller, in proportion to capital and number of people involved, than in corresponding profit business. So striking are these differences throughout the world that cooperation stands out in the present crisis as a unique method of business.

In the United States, cooperative societies are engaged in the following services to their members: retail-store distribution, wholesaling, processing and distribution of petroleum products, banking and credit, housing, coal supply, processing and distribution of milk, supply of feed and farm necessities, restaurants, boarding houses, fire insurance, liability insurance, auditing and accounting, electric supply, telephone service, medical service, undertaking, printing and publishing, education and schools, recreation and entertainment, music and drama, laboratory testing, life insurance.

The circumstance that, with rare exceptions, teachers and experts in economics in this country have not seen fit to inform themselves upon these facts, much less upon the meaning and philosophy of cooperation, seems not to militate against its progress. Possibly academic students and reformers refrain from interest in consumers' cooperation because it is a method of business actually in operation. It is not a theory. If a man goes into it, he not only hazards his capital

but he must lay his hands to a concrete job. There are easier things to do than these.

Quite oblivious of the widespread existence of cooperative societies, a political movement is now on foot to organize the consumers. The mayors of municipalities are to head consumers' groups. Something new is to be started. There may be here or there a mayor who is not a candidate for reelection. Such a public official might promote such a project in a mild way, but in doing it he would not last long. Any mayor who attempted to organize the consumers of his municipality to protect their interests would have about his ears the chamber of commerce, the merchants' association, the board of trade, the public utilities, and other groups that control his political destiny. This notion of inviting the local political machinery to damage its masters is a fatuous product of a trying period.

Another provision of the NRA concerns the conservation of natural resources. This means making the natural resources of the country more useful to more people for a longer time. In this connection there is a fine opportunity for consumers' organizations in the field of electric supply. At Muscle Shoals the government is producing electricity and selling it to the Alabama Power Company for two mills a kilowatt hour, under an old contract made during the Hoover regime. The company sells it to its customers at eight cents a kilowatt hour. An agency in the interest of the consumers might show the people of the Tennessee Valley countryside how to organize themselves into consumers' cooperative electricity-distributing societies. The administration has such a project under consideration. These cooperatives might buy electricity from the government at less than a cent a kilowatt hour and distribute it to their members at retail. Cooperative societies in Minnesota and Wisconsin are doing this with advantage to their members. The 350 cooperative consumers' societies in Switzerland, which not only distribute but manufacture their electricity, are perhaps too far away for us to imitate.

A governmental board, established for the defense of the consumer, is in a position to show consumers how they may organize in cooperative groups to protect their interests. This is a practical and legitimate service. It is in direct line with the President's purposes in the promotion of the recovery act. The President announced four main industrial aims. Consumers' cooperative societies are in the best position of any form of business to comply with the requirements of the NRA. They are promoting the four aims of the recovery program as follows:

1. *The elimination of unfair competitive practices.* This is the natural result of a system that is not in quest of competitive profits, that is established to serve its members, and whose businesses are federated into a single national organization.

2. *The reduction and relief of unemployment.* This object is already being attained by the business method of cooperative societies, which in the United States today have more employees than in 1928.

3. *The improvement of the standards of labor.* This might well be intrusted to a system of business which in its history of ninety years has always been sympathetic to labor and desires that its employees should be organized in unions of their own.

4. *The rehabilitation of industry.* This is promoted by

the kind of industry that is itself in the least need of rehabilitation. We may take as examples the two largest groups of cooperative consumers in the United States—the 2,100 cooperative banks and the 1,500 cooperative oil societies. Of these during the past four years only a fraction of 1 per cent have failed. The money losses of these concerns amount to so little as to be inconsiderable. Steady growth and expansion have characterized their business during this period. They have produced saving and not losses. The 500,000 members of cooperative credit unions have successfully conserved their \$45,000,000 of assets. None of the 1,800 cooperative banking societies organized by the National Credit Union Extension Bureau have been closed by a State banking department. The chief losses they have suffered have been losses of funds which they had deposited in capitalist banks. The \$15,000,000 invested by cooperative consumers in the oil business is returning to the consumer members a yield on their investment that surpasses the fondest hopes of capitalistic speculation. Still this yield is not an earning but a saving which accrues from the cooperative method of business.

Provisions written in many codes do violence to the cooperative societies. Some of these provisions have been introduced for that specific purpose. It was a significant act on the part of the President when, on October 23, he signed a special executive order exempting all "bona fide and legitimate cooperative organizations" from restrictions upon the payment of savings rebates or patronage returns which might be contained in any code. This executive order has a far-reaching power to protect consumers' cooperative societies from the codes written by the industries.

The consumer has been discovered by the NRA. The next thing needed is that the great body of consumers themselves shall discover those consumers who are organized in cooperative societies, and who have learned how to unite with their neighbors to carry on business for their mutual benefit. The NRA is in a position to seize upon these discoveries and turn them to the common good.

Moonlight over Juniper

By WILLARD MAAS

Flame sings in the juniper
and the blackness of water speaks to the wood.

The flying bird cries of his heart
when the green sky falls
and the stone lifts coolness to the night.

The moon shall whisper to the stone—
the snake offers a hymn.

We cry from our hearts
as the bird is crying
of the flame in the juniper
the burning in the throat of the water,
and the soft words of the moon.

Call back the last song from the rim of the world
when the bent grass is quick with speaking
and the wood is loud with flame.

Help the Poor Gas Companies!

By THOMAS LAWRENCE

THE Reconstruction Finance Corporation, as Mr. Hoover and Mr. Mills so often told us, was set up originally to preserve our credit structure, but it has been given many other responsibilities and been used for other purposes. One of these came officially to light through an item in the corporation's report for June showing a \$2,200,000 loan to the American Mortgage Company of El Paso, Texas. The American Mortgage Company is a dummy corporation through which interests controlling the El Paso Natural Gas Company and its subsidiary, the Western Gas Company, have obtained that amount of Other People's Money from the R. F. C. to extend Western Gas Company's natural-gas pipe line about 220 miles northwestward from Bisbee, Arizona, to Tucson and Phoenix. Now that its Morgan and Kuhn-Loeb shows are over, the Committee on Banking and Currency might turn Mr. Pecora loose on the R. F. C. A Senate resolution adopted May 4 gives it power to do so. If it does, the loan to the American Mortgage Company is a case admirably suited to Mr. Pecora's inquisitorial talents, and by investigating it the Senate will get a pretty good idea of just how highly it is esteemed by one R. F. C. director. The Senate voted 52 to 19 on June 21, 1932, that no federal money should be advanced to build this extension of the Western Gas Company's pipe line, and a year later the R. F. C. voted to do that very thing!

In 1928, when the pipe-line building craze was at its height, the El Paso Natural Gas Company was organized to construct, own, and operate a line from the Lea County gas field in southeastern New Mexico to El Paso. It was financed with Other People's Money. According to Moody 27 per cent of the 96,589 shares of outstanding common stock are owned or controlled by the United Gas Corporation, an Electric Bond and Share subsidiary, and substantial amounts are held by Messrs. Paul Kayser, president, H. G. Frost, vice-president, and White, Weld and Company, who got the Other People's Money by selling them bonds and debentures. The Engineers Public Service Company, a Stone and Webster subsidiary, had an option expiring this year to buy 100,000 unissued shares of common stock at \$22.50 and other options, which must be concurrently exercised, to purchase the holdings of Messrs. Kayser and Frost and of White, Weld and Company for \$75 per share. No information is available as to whether they paid anything for their stock or received it, as was customary in 1928, for "promotional" services, but on October 28 the New York *Times* announced that the Engineers Public Service Company's option had been renewed until 1938. Through a subsidiary, fuel gas is distributed to several heavy industries around El Paso, and the local gas company buys it for distribution to about 13,000 customers. The line went into operation in June, 1929. It has a capacity of 55,000,000 cubic feet daily, which is quite an optimistic lot of gas. Too optimistic, as it turned out.

When the promoters found they could not sell anything like the line's excess capacity in El Paso they organized the Western Gas Company as a subsidiary in May, 1929, to build and operate a line westward to Douglas and Bisbee,

where the Phelps Dodge Corporation has large copper mines and smelters, with a spur south to Cananea, Mexico, where the Cananea Consolidated Copper Company, an Anaconda subsidiary, has a plant. Like his parent, this child was financed with Other People's Money, but differently. The issuance of \$5,800,000 of bonds due January 1, 1934, and of 10,000 shares of common stock was authorized. The parent company got the stock, and material men and contractors took bonds for building the line. From their bankers they could borrow Other People's Money on their bonds. (The contractors, the Engineers Public Service Company, took \$3,500,000 worth and borrowed \$1,100,000 from the Chase National Bank.) The copper companies, to encourage the establishment of the new member of the family, took some of the bonds and also endowed him with long-term contracts for fuel gas. The Arizona Edison Company presented him with a contract to buy natural gas which would be sold in place of artificial gas to the 5,600 customers in Douglas and Bisbee. His fond parent enriched him with a contract to buy for \$200,000 yearly the excess capacity of the parent company.

It was 1929 and everything was rosy. The El Paso company had found outlets for the over-optimistic capacity of its line. The copper companies soon would burn vast quantities of cheap natural gas. The Engineers Public Service Company had a nice contract. The A. O. Smith Corporation had some work for its famous automatic factory in Milwaukee making the pipe. The Republic Steel and the Cooper Bessemer corporations were to furnish material. Other People's Money had done it. But it all blew up. The new line was not finished until June 8, 1931. By then the copper plants were closed down. The heavy industries in El Paso were not doing anything. Too much dependence had been placed on industrial consumption. More steady, stolid domestic consumers were needed. The only way to get them was to run the line on up to Tucson, where the local artificial-gas company had 6,000 customers, and on to Phoenix, where the local company had 12,500 customers.

And then Mr. Hoover's scheme to put millions of men to work through R. F. C. loans on self-liquidating construction projects was brought out. Senator Hayden of Arizona offered an amendment authorizing loans to pipe-line companies. Although written in general language, every Senator knew he offered it to allow the Western Gas Company to get \$2,000,000 to build this extension. Senator La Follette said: ". . . it is proposed to loan money out of the Treasury to a corporation which built a pipe line to take care of certain large industrial consumers, such as copper companies. Now the copper companies are shut down and those who invested their money are anxious to extend the line to the two cities mentioned, where they may sell for domestic consumption. I want to know whether the Senate proposes to adopt that policy?" The amendment was defeated 52 to 19. That was on June 21, 1932, and on June 19, 1933, the Western Gas Company got the loan.

If the Committee on Banking and Currency investigates this success story it will find, as is so often the case, that

success was due to something besides pluck and perseverance. For instance, when the Senate vetoed this loan:

1. Jesse H. Jones, Houston promoter and president of Jesse H. Jones and Company, was a director of the Reconstruction Finance Corporation. Now he is chairman. More than that, he is in charge of lending money to help finance the NRA and to thaw out the frozen assets of closed banks so depositors can get some of their money to spend, not to mention the buying of gold. A very responsible position in short!

2. Paul Kayser, Houston lawyer, personal attorney for Jesse H. Jones and vice-president of Jesse H. Jones and Company, was president of the El Paso and Western gas companies and was a member of the Reconstruction Finance Corporation's El Paso loan-agency advisory committee which passes on applications for loans submitted through that office.

3. The American Mortgage Company was an inconsequential and almost defunct loan company doing business around El Paso. A month earlier it had pawned all its assets, half a dozen small real-estate mortgages, with the R. F. C. for a \$6,000 loan. S. N. Schwabe, its owner, was hoping against hope that somebody would come along who wanted to take the thing off his hands.

4. The directors of the Western Gas Company in 1929 had authorized the issuance of \$5,800,000 of bonds due January 1, 1934, to pay for its existing line, but only \$5,533,000 were outstanding and the balance of \$267,000 could be issued if expedient.

The committee should investigate this loan, if for no other reason than to give Mr. Jones a chance to explain how he has preserved our credit structure by extracting \$2,200,000 from the federal Treasury to finance this new pipe line to help the El Paso Natural Gas Company and the Western Gas Company pull out of a mess of their promoters' over-optimistic making, when 27 per cent of the common stock of the first company is owned by an Electric Bond and Share subsidiary and when a Stone and Webster subsidiary has options to purchase 100,000 shares of unissued common stock at \$22.50 per share plus Mr. Kayser's holdings at \$75, and when the same Stone and Webster subsidiary and other large corporations are heavily interested in the Western Gas Company through bond ownership. The committee also ought to delve into the way the American Mortgage Company was picked up and recapitalized. In that connection it ought to inquire about the unissued \$267,000 of Western Gas Company bonds. It may find that these bonds were issued to the American Mortgage Company and that a part of the R. F. C.'s loan is to be used by the gas company to buy them back, thus financing the mortgage company with Other People's Money from the federal Treasury.

A balance sheet of the American Mortgage Company dated September 19 last is as follows:

Cash in banks.....	\$229,618	Notes payable.....	\$ 8,075
Bills receivable.....	13,425	Stock.....	500,000
Bonds:		Surplus.....	9,150
Principal \$267,000			
Accrued interest	3,382		270,382
Real estate.....	3,000		
Furniture and fixtures	800		
	\$517,225		\$517,225

Although dated September 19, this balance must have been struck on September 17, for the interest on \$267,000 of 6 per cent bonds from July 1 to September 16 is \$3,382, the amount of accrued interest carried as an asset.

On September 17, after the new officers and directors had taken control, they received from the Western Gas Company an application for a loan of \$3,500,000 to be secured by a pledge of \$7,733,000 of the gas company's bonds bearing 5½ per cent interest, maturing in five years, and secured in turn by a mortgage on the Western's existing line and the new extension. To enable the gas company to issue these bonds the holders of \$5,773,000 of 6 per cent bonds maturing January 1, 1934, were to exchange them for American Mortgage Company debentures secured by a second pledge of the \$7,733,000 of new bonds. The gas company was to pay the mortgage company \$38,653 if it obtained the money.

On September 17 the American Mortgage Company applied to the R. F. C. for a loan of \$3,500,000, to be secured by a pledge of \$7,773,000 of Western Gas Company five-year 5½ per cent bonds, and stated:

Applicant is organized under the laws of Texas for the purpose of "loaning and accumulating money." It is now and has been for the past ten years actively engaged in the mortgage-loan business in El Paso. Its original capital stock was \$35,000 and that has been increased in the past few days to \$500,000. Applicant's business will be enlarged and it will continue to do a general mortgage business in the future as it has in the past, but in very much greater volume. Every dollar of the proceeds of the loan, with the exception of approximately \$400,000, will be expended for capital goods and labor and the payment of bank loans as follows:

For labor, pipe, and other materials...\$2,000,000
To repay loan to Chase National Bank. 1,100,000
To repay miscellaneous creditors. 400,000

The specific reason for requesting the \$1,500,000 more than is required for construction is that such is necessary in order to obtain subordination of the present \$5,773,000 of first-mortgage bonds now against the property of the Western Gas Company. This \$1,500,000 will be applied substantially pro rata upon the present outstanding bonds and the holders of these bonds will accept debentures of the mortgage company secured by a second pledge of the \$7,733,000 of bonds pledged to the corporation.

This statement was subsequently amplified by a communication showing that the \$5,773,000 of bonds were in the following hands:

Engineers Public Service Company.....	\$3,500,000
Phelps Dodge Corporation.....	850,000
A. O. Smith Corporation.....	773,000
Bechtel Kaiser Company.....	160,000
Cooper Bessemer Corporation.....	150,000
Republic Steel Company.....	50,000
American Mortgage Company.....	200,000
Miscellaneous.....	50,000

Moody's and Poor's manuals show that on June 1, 1932, only \$5,533,000 of the bonds were outstanding. The communication listing the above bond-holders also revealed that the \$1,100,000 bank loan to be paid off was owed by the Engineers Public Service Company, which had put up its bonds as collateral, and which of course had to pay the loan off in order to get its bonds back to surrender for the mortgage company's debentures. The \$2,200,000 loan finally au-

thorized by the R. F. C. does not include anything apparently to repay this bank loan, and the Engineers Company must have found some other way to get its bonds back. In the course of receiving the R. F. C. loan, \$500,000 of Western Gas Company bonds were retired.

The subsequent communication listing the bond-holders did not state what miscellaneous creditors were to be repaid \$400,000. It seems more than likely that the R. F. C. has allowed \$200,000 for that purpose, since the pipe line is to cost only \$2,000,000; and it is a fair guess, I believe, that it is to go to the American Mortgage Company, for I can see

no sense in the mortgage company exchanging these bonds, which must be in before the old mortgage can be released and the new bonds issued, for its own debentures. The balance sheet shows the mortgage company owning \$267,000 of these bonds while the list of holders shows it to be the owner of only \$200,000 worth. I do not know the explanation of this discrepancy, or whether there is any explanation.

This is a small loan, but with its implications it is one of the shadiest deals the R. F. C. has gone into. Perhaps exposing it will induce the Banking and Currency Committee to make a general investigation of the R. F. C.

The Musician and the Depression

By I. A. HIRSCHMANN

HE was there when I went into the restaurant. When I came out again he was still there, standing at the curb, fiddling the "Meditation" from Thais, fiddling it half-heartedly but with understanding, and with his tone pitched determinedly against the noises of the street. A decent-looking young man of thirty-four or five, sober, self-respecting, yet a tragic spectacle. A trained musician playing in the street. It is the last resort, and not unusual. There are hundreds of these street musicians strolling about the cities, shivering in winter, playing for pennies as best they can with numb fingers and running noses. Good players, indifferent players, poor players, but with some training, all of them.

I spoke to this man at the curb outside the restaurant. He had, he said quietly, once played in theater orchestras. Good ones. Help for him? There did not seem to be any. Except in himself, in what he was now doing. The unions? They meant well, of course, but they could not take care of him personally. They were swamped with too many like him. The various orchestras being recruited by musicians' emergency funds? One had to be very good to interest those, as pensioner or player. Last winter, for example, the Madison Square Garden concert masters had heard 3,000 to choose their 175 players. Anyway, one had to have a friend, said this curb fiddler. And he shrugged, let it trail off, gravely took what I offered him, thanked me with dignity, turned back to his fiddling. Not much hope for him in this depressed world.

Not much hope for him or for others who belong in the lower brackets of musical performers, among the working musicians as against the artists. Players of this man's stamp belong to unions. In Greater New York alone the local union of the American Federation of Music has an enrolment of more than 15,000. And 12,000 of these are unemployed. The American Federation of Music itself reports an easy two-thirds of its national membership unemployed; reports it with a glibness and a shrug of the shoulders that concede that nothing much can be done about it.

Even before this general slump, musicians were having their own unemployment and famine as a result of the coming of the talkies, the growth of radio. Thousands were being turned into the streets, displaced by single orchestras in Hollywood studios or in broadcasting cubicles. Yet many young persons still saw music as a high-paying profession,

trained themselves for it, went into it hopefully—particularly into jazz music. There was none to warn them. Today an average musical performer is not only a drug on the market but an absolute dead weight.

In general, the violinist, pianist, or cellist trained for orchestral work is not fit for other occupations. He is not an artist in the higher sense, but a more or less skilled artisan in his own narrowed field. Music is his business, his trade. Take it away from him and he is technologically unemployed. Musicians, as a rule, are not easily adaptable. Temperamentally, long association with specialized art unfits them for other kinds of work. Two-thirds of them, rank and file, march misfit and workless today. One I happened on is working gamely but inefficiently as a house painter. Another is canvassing as an insurance agent.

But these, successful in alien fields or partially so, fending for themselves, are the exceptions. The others are, lamely, being aided. In New York City the union local with its 15,000 members and 12,000 unemployed has tried various methods of aid. In the last three years it has managed to distribute some \$150,000 in outright relief among its indigent members—admirable as a stopgap measure, but no proof against the future. On February 4, 1931, at the beginning of the real fear and panic, this local decided to tax all members earning over \$50 a week 5 per cent of their earnings. This tax was repealed in May of that year as unsatisfactory. Since then it has been found better to tax all earners, regardless of earning capacity, 1 per cent of their weekly wage. But very little comes of it. The obscure cellist, the obscurer pianist may go to some private home, play a solo, collect a fee, and no one is the wiser.

Throughout the American Federation of Music such makeshift, if sincere, measures are under way. Some locals attempt the direct-taxation method; others organize functions for members' relief and employment. None of these efforts appear to be very effective, or to go very far. More adequate, perhaps, are the private relief funds, working independent of the unions—the Musicians' Emergency Fund in New York, for example, with its \$380,000 for relief and its \$120,000 worth of made musical work in these last two years. These sums may loom large. They are in fact large until matched against the overwhelming demands made on them. Supplementing this type of fund and the unions are the efforts of well-meaning music lovers, substan-

tial people who have for the past several years organized concerts, drafted the free services of famed artists and conductors, given employment to some one or two hundred musicians during a series.

Overhead costs of a benefit are, of necessity, heavy, as they were for the Damrosch Madison Square Garden concerts of the Musicians' Emergency Fund, when expensive acoustical apparatus was wired over the arena. Printed matter runs up. There are always tags of expense to eat up charitable surpluses. So that after the actual performers have been paid (at a minimum of from \$15 to \$20 for an evening's performance and two or three rehearsals), there is comparatively little residue for outside relief. Even that little runs into snags. Benefit concerts breed clashing personalities. Sponsor disagrees with sponsor; organizers become jealous of power; factions form. In the end, the concerts, if successful at all, are not so successful financially as they might be with more harmonious effort.

Hovering above these affairs, at once despotic and benevolent, is the watchfulness of the unions. In the past summer a series of concerts was undertaken in Westchester, New York, for the unemployed musicians. These were a kind of "pop" concert with the musicians employed receiving a minimum of \$15 a week, a maximum of \$35, and a promise of more to come with success. The players commuted, expenses paid, daily from New York, rehearsed, played, returned late at night to their homes. A tiring routine, but a livelihood. The concerts were a growing success, gaining in popularity until, in August, the New York union local abruptly crashed in and demanded a fifty-dollar minimum weekly wage. The concert sponsors, unable or unwilling to turn to private endowment as the union suggested, terminated the concerts. The musicians, who had at least been eating, were sent back to join the great mass of unemployed. But the union, jealous of the headway it had made so painfully through the years, felt that it could not renounce its principles for the sake of these few individuals.

Nor is it only those of the rank and file who are being sacrificed these days. Artists also are playing lambs for slaughter, largely at the hands of the grand priests of radio. Well-known, even famous artists are being induced by the large chains to sing for as little as \$5 for fifteen-minute periods on the air, in the false hope that some commercial sponsor may hear them, like them, sign them on. The five-dollar farce is dispensed with at times, and the desperate and deluded artist sings for nothing more than glory. Unfortunately, there are no unions to do battle for these.

Suggested remedies for this situation are abundant, as suggestions invariably are. Two, the most promising, have to do with taxation. Alfred Wallenstein, the cellist, advances, with wide support, the idea of an educational tax—a few cents set aside for music in each dollar levied for education. Even small communities might, in this way, support local bands and orchestras, even operas. They might cultivate the taste of school children who will be the future lovers and supporters of music. A small and direct musical tax of this sort has, as a matter of fact, already been tried. In Milan Toscanini successfully fathered such a tax. Theaters, motion-picture houses, certain Milanese stores exact of each patron a small levy that goes to the support of the famed La Scala opera. That, however, according to certain American musical pedagogues, is in Italy, where it is as natu-

ral for every child and every adult to know and sing his Verdi as to learn his alphabet. America, they say, is a horse of an entirely different color.

This writer, for one, has no patience with such a superficial contention, or with the equally superficial opinion that America, being essentially an unmusical nation, is not ready for a greater musical culture. Regardless of nationality or race, man by instinct is a musical animal. The development of that instinct is entirely dependent upon environment, opportunity, and education. It is an outmoded fallacy to speak of one nation or another as lacking the musical instinct. America, though it must be admitted to be musically impatient and immature, is by no means completely unawakened.

As a case in point, the writer received his baptism of symphonic music in Baltimore, where a civic orchestra composed of the best musicians from the Peabody Institute and the local theaters gave special performances for high-school students prior to the regular monthly public performances. An appreciable sum was included in the city's budget each year for the support of the orchestra. Even today, when budgets are pared to the bone, the popularity of that orchestra is such that a citizens' committee, drafted to overhaul budgetary facts, has found it essential to retain the orchestral item at the sacrifice of others.

The second suggestion for helping musicians by taxation is based on the theory that our musical profession today suffers not only from the general depression but from constant weakening by radio. This is sound enough. Many persons undoubtedly turn on their radios rather than go out to concerts or dance places. It is proposed, therefore, to effect a permanent cure by levying a government tax on radio, a tax similar to the English tax of ten shillings a year on each receiving set in the kingdom. But here again is the snag of nationality. Place a radio tax in local-government hands in these United States, and you are likely to get political complications. Graft and politics seeping into the great national broadcasting systems might well make them even duller and more lurid than they are today.

There can be no practical remedy for the situation, no really effective relief by taxation or any other means, without acknowledgment of the fact that today the profession of music is full to overflowing, with room only at the proverbial top. In the lower brackets, among the near great, among the mediocre soloists, the orchestral and band performers, there are too many performers. Some are, of course, falling by the depression wayside. Others, misfit or unfit, should be reconditioned to other professions and happier fields. The writer, however, most vigorously takes issue with those who would limit and discourage the study of music as a profession. Rather, the emphasis should be placed on stimulating a wider, stronger musical consciousness among a people already alive to music's solacing influence. We must cease to paint glowing pictures, to raise false hopes, to fill our orchestras with frustrated Carnegie Hall stars. But music itself must not be starved out. Through the schools, the colleges, and the civic agencies a greater appreciation and need should be developed so that the demand for music will keep step with the supply. Then there will be no oversupply of genuine musicians. Then, as has actually happened in Newark, New Jersey, normal school children will be heard applauding a picture of Beethoven more wildly than one of Jack Dempsey.

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In the Driftway

CHILDREN'S Book Week, which the publishers undertake with such light hearts, must arouse alarming thoughts in the mind of the conscientious modern parent. Children's Week, indeed! It is the Future Inhabitants of a World in Crisis Week, and parents will be held strictly responsible. It is an irony that the modern pedagogue with his wise counsel to prepare the child for the world he is to occupy should have fallen upon one of those times in history when the future is as mysterious as it is foreboding. "War in ten years." "Increasing economic distress—fascism, followed by violent revolution from the left." So the prophecies run. Which of all possible worlds shall the child be prepared for? If Johnny, according to Laski and Strachey, will be shot at twenty-five for having an idea of his own, what books should he be allowed to read now? If on the other hand, according to Wells, the human race may have the sense, when Johnny is thirty, to begin building Utopia, how can parents make sure that Johnny will be sufficiently original and independent to be of any use to his world?

WHEN parents of today were children, stability and permanence, incredible as it now seems, were taken for granted. One could project several careers for one's child with the reasonable certainty that he would find it possible to make a living not too unpleasantly in one or the other of them. Now an endowment policy payable when the first-born will, theoretically, enter college seems rather a waste of premiums, and the most convincing predictions confirm that view. One thing seems certain: the child will suffer in so far as the example of his parents influences him. If he is brought up on liberal principles, he will be shot either by the fascists or the Communists. If his parents are fascists, he may thrive while the black shirts are in power but the revolution will finish him. If they are Communists, he will probably not live to see the day of communism's advent, and if he does he will very likely be despised as an old-fashioned deviationist by the particular group in power. If they are open-minded, anything may happen. It is only within recent weeks that the Soviets, after sixteen years, have decided to allow the children of the former bourgeoisie to take part in the life of their country, so strong, in the opinion of the Communist rulers, is the bourgeois virus. In Germany the "red" virus is considered to be active even to the second generation. The liberal parent may reply that he would rather see his child dead than taking part in either variety of dictated existence. But his child will probably not agree with him, and it is the child and not himself who must live in the world of a generation hence.

WHEN nothing is certain, a Drifter's advice is as good as anyone else's. The world seems again to be approaching one of those violent eras in which one must take sides or die, physically or otherwise. Today's children seem destined to live in a new variety of heroic age in which action, cooperative action, will seem the most desirable conduct for the individual. One to whom the contemplative or merely

lazy life seems the highest good will find this prospect depressing, but it has never been established, except among contemplators, that the rosy glow of action is less admirable than the pale cast of thought, and the extrovert is notoriously happier than the introvert. To train the child to expect a life of action would seem the only service today's parent can perform.

* * * * *

IT is a conclusion which shocks even its mild utterer. But there are compensations. A man conditioned for action is automatically freed of most of the fear of action that animates thoughtful men. There is still another even more comforting thought. In whatever world the child finds himself, it is certain, human nature being what it is, that he will prefer being alive to being dead or unborn; and it is even more certain that, even if he thinks, he will consider his world, no matter how bad it is, vastly superior to that in which his poor deluded parents happened to exist.

THE DRIFTER

Correspondence

"Can Life Insurance Be Made Safe?"

IN its issue of September 20, 1933, *The Nation* printed an article under the title quoted above, by James P. Sullivan and David D. Stansbury. It was evidently a highly controversial subject, for ever since the article appeared letters have been coming to *Nation* editors arguing this point or that. Most of these letters have been sent to Mr. Sullivan for reply; every one of them, including Mr. Sullivan's answer, was too long to quote in full. In general it was felt that it was better to quote excerpts from several, and the quotations were chosen either as they expressed some idea which several letters expressed or described an attitude which seemed to be representative of the feelings of many of the correspondents. With the publication of the correspondence which follows, *The Nation* must consider the subject closed.

TO THE EDITORS OF THE NATION:

The article on life-insurance companies which appeared in *The Nation* of September 20 is based upon the contention that premiums are too high and that they should be reduced. This criticism of regular life-insurance premiums will not stand when applied to the great majority of policies. It is a fact which should be obvious to anyone that the experience of the life-insurance business for more than 100 years and the skilled attention of thousands of actuaries and executives who have devoted their exclusive attention to the business must necessarily have resulted in the exclusion of all unnecessary expense, and by the beneficent force of competition must have given to the public the desired service at lowest possible cost. . . .

The article referred to creates an entirely false impression as to what has actually taken place with life insurance during the present business depression. As a matter of fact, the life-insurance companies have come through the depression with flying colors and have earned and received the commendation of the business world for this achievement. During the depression the facilities of banking and services of building and loan associations were so limited that an enormous burden was shifted thereby upon life-insurance companies. These companies were

called upon to make unprecedented loans denied elsewhere; all of this constituted a triple burden. It was then that for the protection of policy-holders the moratorium was instituted, and accommodation was made with great care and solicitude for the interest of policy-holders with the special need of accommodation. It is not necessary to quote figures in order to give an idea of the magnitude of the business. This is known to everyone, and the very fact that this business has steadily increased is an indication of the immense patronage given to it by the skilled investor as well as by the general public.

There is no business in the world founded upon a more scientific basis than that of life insurance. . . . At the end of each year the profits, or more accurately the savings, made during the previous year are based on excess interest earnings, favorable mortality experience, and savings in expenses. The dividends thus secured from these three sources are used in accordance with the pleasure of the policy-holder either to reduce the next premium, to purchase additional insurance, or otherwise. Nearly all the larger companies are mutual, and it is a fact which should be applauded by all that here is an institution which serves the public at actual cost, there being no stockholders to absorb any of the profits or to exert any influence detrimental to the best interests of the policy-holders.

The criticism of the initial expense in securing business is not well founded. Except in the case of some of the newer companies, commissions paid to agents are as low as the experience of many decades and the pressure of wholesome competition can provide. Is it reasonable to suppose that this could possibly be otherwise? . . .

As to irregularities in the business, the very fact that the States wherein the companies are located make periodical examinations of the companies' books, records, and assets, while every State in which the company does business also has placed before it every year a detailed statement of every single item of the business, of itself gives a guaranty of stability that is not to be found to the same degree in any other big business. . . .

As to salaries paid executives, these are, generally speaking, fixed by the law of supply and demand. In one instance that I know of the new president of one of the larger companies left a salary of \$50,000 paid by a trust company for a reduced salary of \$25,000 in order to assume what he considered the higher duties of an executive of a semi-philanthropic institution, and of course it might be well if this attitude were more general.

Wichita, Kan., October 26

HENRY WARE ALLEN

Few of the letters had the wholly uncritical tone of the above, but many expressed in somewhat less sweeping terms the same complete confidence in the integrity and soundness of the insurance business. The following paragraph, quoted from a letter of Ralph W. Mack, special agent for the Northwestern Mutual Life Insurance Company of Milwaukee, has a sterner note:

I regard the article Can Life Insurance Be Made Safe? as misleading and unfair. The very wording of the title with the question mark carries an implication that is unwarranted and contrary to the facts with respect to most life-insurance companies. The article stresses the advantage of term insurance on a constantly advancing rate and is neither sound nor wholesome. My opinion is that term insurance, sold generally, is a vicious form of life insurance that will ultimately prove a disservice rather than a service to most insurers. The presentation by Messrs. Sullivan and Stansbury impressed me either as being motivated by selfish considerations and a desire for self-exploitation, or as the outpouring of half-baked theorists directed against the institution of legal-reserve life insurance, which is based on safe and scientific principles.

The question of the merits of term life insurance, mentioned at one point in their article by Messrs. Sullivan and Stansbury, appeared in the letters more often than any other. H. W.

Flitcraft, of the Flitcraft Life Insurance Works, Oak Park, Illinois, took the subject up in some detail:

We shall next show what would happen if Mr. Sullivan's advocacy of term insurance were taken seriously. Figures are taken from the American Experience Table of Mortality. The effect would be to make level-premium life insurance impossible. A man aged 20 would pay \$7.57 per \$1,000 of insurance the first year he had his policy, \$7.62 the next, and so on. When he reached age 35 he would have to pay \$8.68; age 45, \$10.83; age 55, \$18.03; age 65, \$38.95; age 75, \$91.62; age 85, \$228.69; age 95, \$970.87. The result of his "actuarially sound" plan would therefore be about as follows: A man would take out a policy for a year or two at a very low cost, but as he became older and less able to meet the premiums, the cost of his insurance would sky-rocket. This simple fact is the thing that drove the assessment companies into failure. Even if we grant his conclusion that life-insurance companies are thoroughly unsound, no informed person will indorse the "remedy" proposed.

Mr. Flitcraft touches another point in his letter:

To take another example, he mentions salaries and dividends. Here he errs considerably, for both have been generally reduced. Many mutual companies cut their dividend schedules 25 per cent or 50 per cent, although some changed to a figure only about 5 or 10 per cent below their previous records. One company, which has changed its schedule only during the last few weeks, states that, even at present market prices, its bonds alone would provide cash for all the company's obligations to every policy-holder if everyone were to ask for his cash value at the same time. Several other companies have made similar statements, and so you can see that the companies are not at all in the condition he describes.

Finally, to show that Mr. Allen, quoted above, was not alone even in the extent of his enthusiasm for the conduct of the life-insurance business, Sidney L. Wolkenberg, of the Union Central Life Insurance Company of New York City, writes a letter desiring the opportunity of an interview with the editors of *The Nation* in which he would like to prove "that life insurance from an actuarial and mathematical point of view is today one of the most perfect things created by the mind of man, and that to alter it from its present structure would be to destroy its existence."

The Editors of *The Nation* particularly requested Mr. Sullivan in his reply to take up in detail the question of term insurance. He did so in the following paragraphs.

First, I do not at all advocate "term insurance on a constantly advancing rate" for all buyers and under all conditions. My article does not say that; my article states that it is only by the use of such a plan that the busted and near-busted life-insurance banks of the country can be reorganized on an honest basis, so as to preserve for their policy-holders the life-insurance benefits of their policies. "The rider should provide for conversion back to higher-premium form at will by the insured, except that after such reconversion the policy shall be without demand-banking privileges of any kind." That sentence in our article clearly shows that I have in mind the idea that there are some instances in which the term policy will not be suitable and the insured will, for one reason or another, desire to get back on the higher-premium form.

Second; yes, that means that a given policy taken out at the age of twenty-one, or any other age, would have its premiums regularly increasing with advancing age. Now that bald statement, without amplification, might scare the uninitiate; the old bogey of "increasing rates in old age" has been the most powerful help of all to these agents and companies in their campaign to sell high-premium, high-commission, high-profits policies to the non-understanding public. Just to show you how these rates increase from

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age to age I will give you the rates at which the companies buy from each other on the type of policy which my article refers to. While there are rate increases for every year, I give only the rate for every fifth year.

Age	Annual Premium per \$1,000	Age	Annual Premium per \$1,000
21.....	\$7.59	61.....	\$27.90
26.....	7.86	65.....	38.77
31.....	8.22	70.....	59.90
36.....	8.78	75.....	91.18
41.....	9.67	80.....	139.58
46.....	11.17	85.....	227.59
51.....	14.05	90.....	439.17
56.....	19.21	95.....	966.18

Now take a young man, age twenty-one, who secures such a policy (this is an academic case today, as there is no place where he could be fortunate enough to get it; the companies will sell this type back and forth between themselves, but not to the public). He could, if he wanted to do so, buy an ordinary life policy, which the other side advocates, at a level annual premium of \$14.48. Now by looking at the table you will see that the term rate does not reach so high as \$14.48 until he is fifty-two years old. He has thirty-one years in which to die and pay less, each year, for the \$1,000 cash to his beneficiary. But suppose he does not die; apparently the ordinary life, at \$14.48 per thousand per year is thereafter cheaper than the term; but it is only apparently so.

First, because he does not, at age fifty-two, on that ordinary life policy, get \$1,000 of life insurance but only \$660 of life insurance. True his widow will get \$1,000 if he dies; but when she gets it, it will be only \$660 life insurance; the other \$340 will be his savings accumulated out of the high premiums of the previous thirty-one years. Thus the company is on the risk for only \$660; and the cost of that much insurance at age fifty-two is not \$14.87; it is 66 per cent of \$14.87 or \$9.81. So, continuing to pay the same old ordinary life premium of \$14.48, he is still paying far more than the cost of the insurance he is getting at age fifty-two. (Whereas, on the term plan, paying \$14.87 at age fifty-two, he is still getting all the insurance that he pays for, namely \$1,000.) The second reason—for the mere appearance of cheapness of the ordinary life at age fifty-two—is this: when he reaches that age he has on deposit with the company his savings in the amount of \$340; so that the company, which is then on the risk for only \$660, has two sources of income from the policy, namely, the premium which he pays and the interest which it is able to earn on his \$340.

Let us say that he could make 3.5 per cent on his money; or that the company makes 3.5 per cent on his money. On that basis the company receives two items of income on account of his policy that year: (1) the premium of \$14.48 from him, (2) the interest of \$11.90 from someone else, making a total of \$26.28.

Now in the process of the policy it credits his savings account with \$16 of that money (to increase the cash value, so that it will have \$1,000 in cash to give to him if he is alive at age ninety-six). After so crediting it has \$10.38 left. What does it do with that? It keeps it as the cost to him of the \$660 of insurance service, risk-coverage, pure protection, which it is then giving him. But by looking at the table of term rates above we find that on that plan he could have \$660 of life insurance at age fifty-two for only \$9.81.

Mr. Sullivan closes his letter with two paragraphs that are extremely pertinent to the correspondence quoted above.

It is very interesting to note that, though the article has been on the newsstands now for over a month and every life-insurance director, officer, and agent of any standing has read it at least once, we do not have a single one of them, not an executive, actuary, or sales manager, coming into the open to controvert any one of the very

serious charges which I made against them and their business methods. . . .

Perhaps you have noticed that on October 14 the Illinois Commissioner, forced by the Attorney-General, applied for a receiver for the State Life of Illinois; on October 17, forced by the same person, he applied for and got a receiver for the National Life of United States of America, the largest Illinois company; and there are well-founded rumors that other receiverships will follow shortly. The Attorney-General of Illinois . . . was one of the first men to receive a copy of our article.

Contributors to This Issue

LOUIS FISCHER is the Moscow correspondent of *The Nation* and author of "Machines and Men in Russia."

JAMES PETER WARBASE, surgeon and economist, is a member of the Consumers' Advisory Board of the NRA.

THOMAS LAWRENCE is the pseudonym of a Washington newspaperman.

I. A. HIRSCHMANN is a business man and musician. In the broadcasts of the Philharmonic Symphony Orchestra he was the first to supply annotations in the intermission.

WILLIAM TROY is a member of the English Department of Washington Square College, New York University.

EDA LOU WALTON is the author of "Jane Matthew and Other Poems."

HARRIET COLBY is engaged in literary work in New York.

SOPHIE L. GOLDSMITH is a free-lance writer who has made a special study of children's books.

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RELATIONS
OF
MANKIND

Books, Art, Drama

Prelude

By CONRAD AIKEN

Why should we care what this absurd child does, follow him idly, with lazy eyes, watch the doll laid in the grass and covered with leaves—fingers tenderly lacing the dead leaves—pathetic solicitude of the foolish for the unknowing? why should we stand here and watch this travesty we, the wise and old, the hardened, the disillusioned from our window of bright despair looking downward at the little contemptible street of human affairs—and the child there, unconscious, tender, preoccupied, bending in the dust above his beloved fragment?

Or the old men and women going up and down: those with tired feet, or bent hands; those who see dimly before them as indeed dimly behind them: who greet one another stupidly and kindly: is this not too to be dreadfully despised, that thus we stand, secretly, behind curtains, pitying the children, who were ourselves, and the old, who will be ourselves—pitying and despising, who will ourselves be pitied and despised: but feeling, in memory and foresight, a kind of power?

But what else can we do, we who wait here between one wall and another, one clock and another who can neither play happily in the dust, or lie still? too late for the one, too soon for the other, what can we do but hide behind curtains, and spy? Spying joyfully on the two blessings, beginning and end.

Mr. Hemingway's Opium

Winner Take Nothing. By Ernest Hemingway. Charles Scribner's Sons. \$2.

IT is among Mr. Hemingway's admirers that the suspicion is being most strongly created that the champion is losing, if he has not already lost, his hold. In the current *Contempo*, for example, Henry Hart administers a sharp castigation to those ungrateful people who were the first to applaud him when he was in his prime. Briefly stated, Mr. Hart's thesis is that the generation into whose veins Hemingway poured such a badly needed flow of rich red blood should be the last to revile him now that his task is done. Despite his eloquent recapitulation of the champion's past glories, however, Mr. Hart only succeeds in delivering what is really a politely modulated funeral oration. Similarly, in a review of the newest Hemingway volume, Horace Gregory lauds the author of "In Our Time" and "The Sun Also Rises" for his services to his generation, of which he is still represented as the principal spokesman, without anywhere making clear whether those services ever did, or do now, include an intellectually satisfactory statement of its position. The reason in both cases for this manifest attempt to let the champion down as easily as possible is not very hard to discover. Whatever have been Hemingway's limitations of

mind and sensibility, he has stood out for his generation in America as preeminently the type of pure artist, concentrated on experience and on its disciplined expression in literature. His very limitations have seemed at times to be his greatest virtues. At any rate they have saved him from saga-making, from vatic exuberances, and from the mechanical illustration of politico-economic ideologies. To turn against this writer, therefore, seems almost tantamount to turning against art itself or against the artist's role in culture or society. It is to take sides with the Philistines—by whatever name they may now call themselves.

Now some such reservations must be understood when one reports that Mr. Hemingway's latest collection of stories includes what is actually the poorest and least interesting writing he has ever placed on public view. One cannot but regret, for instance, that a specimen like *One Reader Writes* should ever have been exposed to that view. As for most of the stories in the volume, their dullness may be traced either to a lack of growth or to growth along what is for Hemingway a new and unfortunate direction. There is, first of all, a recurrence of all the old nostalgias—the nostalgia for Europe (*Wine of Wyoming*), for the church (*The Gambler, the Nun, and the Radio*), for adolescence (*Fathers and Sons*), and for death (*A Clean, Well-Lighted Place*). There is also the monotonous repetition of the subjects attached to these themes—eating and drinking, travel, sport, coition. In one story the cafe waiter sums it all up in the now celebrated prayer: "Our nada who art in nada, nada be thy name thy kingdom nada thy will be nada in nada as it is in nada. . . ."

The new direction mentioned is an increasing fondness for subjects and characters which are usually distinguished by the label "special." Ignoring the preoccupation with death, which in the reprinted *Natural History of the Dead* almost amounts to an enthusiastic *delectatio morbosa*, there are enough other indications that Hemingway is in danger of becoming as *fin de siècle* as his contemporary, William Faulkner. At its worst this tendency results in such delicacies as *Mother of a Queen*, which deals with a homosexual bullfighter who permits his mother's bones to be thrown on a dump heap, and *God Rest You Merry, Gentlemen*, which deals with a sex-crazed adolescent who commits self-mutilation. As it happens, the real objection to this kind of subject matter has quite recently been expressed once and for all by Mr. Hemingway's own literary godmother: "She [Gertrude Stein] says she dislikes the abnormal, it is so obvious."

The *Gambler* story is from every point of view the most successful in the book: Sister Cecilia and the Mexican Cayetano are both admirably realized characterizations, the narrative is dense, and there is one remarkable passage of serious reflection. Examining the statement that religion is the opium of the people, the convalescent Mr. Frazer decides that economics, patriotism, sexual intercourse, the radio, gambling, and ambition, each in its way, are also opiums of the people. The real, the actual opium of the people, he concludes, is bread. "Revolution, Mr. Frazer thought, is no opium. Revolution is a catharsis; an ecstasy which can only be prolonged by tyranny. The opiums are for before and after. He was thinking well, a little too well."

Too well? One wonders whether Mr. Hemingway can produce any more interesting volumes so long as he stops off as abruptly as this, turning to play the radio so loud that it can no longer be heard. Fiction is an opium as long as it contents itself with playing over the surface of things. Action, too, is an opium if it is thought of simply as a catharsis and not as an expression. Unless Mr. Hemingway realizes within the next few years that fiction based on action as catharsis is becoming less and less potent as an opium, he will not be able to hold the championship much longer.

WILLIAM TROY

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The Stripped but Permanent Few

Pastures and Other Poems. By Lizette Woodworth Reese. Farrar and Rinehart. \$1.50.

MISS REESE is a "stripped" romantic, I suppose, if we must define her philosophy. But she is very like this, her own stanza:

A rich fragility was theirs,
Warm poverty of hue,
The little that is more than much,
The stripped, but permanent few.

"Pastures and Other Poems" is going to throw its modern readers into a deep nostalgia for the simple, the just, the rightly beautiful. They will turn temporarily from the intricate poets of the city, the rhetoricians, to these old verities which Miss Reese so beautifully expresses. In a world where truth is temporal these verities seem terribly poignant, almost lost to us save for their shadow on our memory.

One of the finest of our minor poets—and most poets today are minor—Miss Reese has been too little appreciated. Over and over again with exquisite simplicity and sincerity she achieves the perfect brief lyric. With a single image drawn from nature closely observed, she says more about human life than many a more ornate or difficult poet may say. Her art is so precise, so quiet, so unpretentious that it is difficult to discuss. The critic blurs her work by trying to define it.

Humble words, the simplest in our vocabulary, simple images of objects familiar to every country dweller, the restrained quatrain form, or the fine sonnet—these are the elements of Miss Reese's poetry. Her faith is personal, unorthodox, the certainty that God is to be found if we seek him. But her mind takes into account without flinching all the conflicting facts in life. She accepts the impermanence of beauty as beauty's real significance. She accepts sorrow and death. She is never sentimental or blind. Miss Reese looks steadily and long at whatever she sees as beautiful and she sets down exactly what is there but in the pattern of art. She interprets humble things as eternal. The lad driving home his father's cows at dusk becomes, for the housewives seeing him while they set the supper tables, a lasting picture:

Long as they lived they saw
A picture old and fine;
They saw the golden lad;
They saw the golden kine.

The asters "clumped in gapings of a fence" mean:

Yet not from Apriling are these;
Wars know they, grate of spears;
Their settled looks are raised upon
A dynasty of tears.

There are very few poets today who have kept so acute an awareness of nature along with so accurate a knowledge of the humble heart. Nature with no sensual or romantic embroiderings is understood by Miss Reese to epitomize the perfection toward which man aspires. Nothing man himself invents seems so sure a symbol of beauty and permanence as does the thorn tree or the rose. The choosing of the simplest image described by the simplest adjective is a kind of genius with this poet. The reader is left marveling that such ordinary words can become so magical. Miss Reese has something of the early romantic poets' skill in keeping a perfect realism fused with a gentle romanticism and humanitarianism. Hers is the intensity of the quiet, thoughtful mind. And her art is entirely her own. Never once in all the years she has been writing has she been influenced away from doing the type of poem she could do best. With a long life behind her and the wisdom of that life behind her words she sets down very directly what she knows and feels.

Her communication is so perfect, because of the homely language beautifully employed, that there is no barrier between her and even her most modern reader. Such a modern reader might be under the influence of Eliot or the new English communist-intellectual school and still feel deeply the message that Miss Reese conveys.

EDA LOU WALTON

A Divided Personality

Martin Luther: God's Angry Man. By Abram Lipsky. Frederick A. Stokes Company. \$3.

MARTIN LUTHER had terror and religion in his bones. Savage beatings, the Black Death which snatched away brothers and friends, churches, monasteries, monks and friars and processions, so plentiful in his home town of Erfurt that it was known as "little Rome," were the formative influences of his childhood. And he was a creature of strong passions, harried by all the impulsions of the body, toward women, wine, food, and anger, anger perhaps most of all, for his anger was full of fear and pride, humility and the growing intoxication of power, the hatred of any authority above his own, until it became the great creative principle of his life. He loved his anger because, as he said, "When I am angry I can pray well and preach well."

Like most human beings, when he started on his great career he had no idea where he was going. He was not consciously going anywhere, escaping only from the sinful and joyful bewilderment of life into an Augustinian monastery. It is one of the many excellences of Mr. Lipsky's book that in it we see the extraordinary life of Luther unfold in the ordinary manner, with the inevitable logic of character and events. Luther's life, seen in a long perspective, is rich material both for the psychologist and the teller of tales. It is both the inner struggle of a divided personality toward integration and a highly colored romance of stupendous adventure, charged with action, tragedy, irony, and humor, against the huge backdrop of medieval Europe in the tense years when feudalism was beginning to crack. In this book both aspects are skilfully interwoven without any sensationalism other than that implicit in the story, which is thrown into relief by the soberness of the narrative. Not only the main figure but all the subsidiary figures—priests, popes, nuns, emperors, and electors—who fought for and against Luther in the course of fighting their own battles are very real people whose doings fill us with emotions similar to those with which we view the tragic or comic antics of our own contemporaries. We cannot, indeed, fail to draw comparisons between the Germany of Luther and that of Hitler, and between the two men, psychopaths both, book burners and Jew haters, mystics, bigots, nationalists, revolutionary reactionaries, pitched into power by the convulsions of a disintegrating civilization.

Luther was already lecturing at Wittenberg when he took the journey to Rome which precipitated him into opposition to the Catholic church. But even before this his lectures were heretical. In justification by faith, the mystic union with God sought by Paul and Augustine and later by Luther and Wesley, the author sees the essence of all mysticism, the identification or integration of modern psychology. The state is a fact, though the process is a mystery and takes very different forms. But Luther, who here seems the protagonist of individualism, of the individual conscience in relation to its God, was politically reactionary. He bitterly opposed the Peasants' Revolt, and the Anabaptists found him arrayed against them on the side of kings and nobles. For Luther needed the rulers and they at times needed him in the complex struggle which necessitated frequently shifting alignments. This explains much of the apparent contradiction in Luther and the others. A man of pow-

erful vitality yet plagued by strange ailments, superstitious, brave, noble, abject, and cruel, he was involved in a destiny too great for him, the welter of world events hurrying to a tremendous conclusion. For even without Luther, the Reformation was coming. But had he been more or less it might have come differently.

This book follows naturally from the author's former studies, "Man the Puppet" and "John Wesley." It is the first approach to Luther as a human being without either Catholic or Protestant predisposition on the part of the author, an absorbing story in which we see revealed the constants of religious mysticism and bigotry in their individual and historical aspects.

CLARA G. STILLMAN

Man as Institution

Institutional Behavior. By Floyd Henry Allport. The University of North Carolina Press. \$3.50.

THE problem of the individual and the institutions of which he is a part, or which are part of him, to be more exact, is one of the basic contemporary questions. Any attempt to shed light on it presupposes a searching analysis of institutional versus individual behavior, so that one may chart with some degree of certainty where collective reactions leave off and where the "individual," if there is such a residue, begins. As Professor Allport points out, a really comprehensive study of this subject has never before been attempted. But his awareness of the nature, scope, and object of such an investigation makes his own inadequate treatment of it all the more disappointing. Where he has given us reason to expect scientific evaluation, he himself has been content with a very pedestrian kind of journalism. Instead of marshaling all the valuable data on the subject which modern psychology and anthropology have accumulated, he indulges in leisurely chats on such miscellaneous matters as civic responsibility, the American family, the Sacco-Vanzetti case, and the evils of nationalism and war. Characteristic of much of the discussion is this delivery on war:

If every soldier killed in the World War had to be killed singly and personally, as man to man, . . . instead of with mass methods, military organization, and long-range guns . . . would that conflict have been the colossal tragedy that it was?

A ringing enough statement for a mass-meeting perhaps, but of dubious psychological relevance and profundity and shedding no more light on the fundamental problem of the book than does his exhaustive citation of the Sacco-Vanzetti case as an instance of the pathological cruelty of institutional behavior. As if a neighborly lynching party, relatively a much more personal entity than the State of Massachusetts, were any the kinder for it.

Throughout the book Professor Allport keeps monotonously reiterating that institutions are not "real" biologic organisms like human beings, as if that fact impugned their validity and importance, as if it were not rather a moot psychological question whether man and all that is characteristically human is not primarily an institutional artifact—a question, indeed, which should have been the chief object of Professor Allport's inquiry. Only in his concluding chapter does he begin to come to grips with the subject. After conceding the importance of institutionalized society in the past he remarks:

The fact that such institutional cooperation has solved many of our problems in the past does not prove that it may not one day survive its usefulness . . . that we may not be today facing such a point of diminishing returns. Having built a vast machine composed not only of physical materials but of human habits, shall we not pause to observe toward what end this structure is operating?

This is the heart of the question and Professor Allport posed it with a clarity that is definitive. But in making the individual his criterion and point of reference, he has forgotten that his individual is a comparatively modern development, tacitly evolved from the natural anonymity of a biologic organism, largely as a result of a lot of things that come under the heading of Institutional Behavior.

ALTER BRODY

Real Books for Real Children

NEARLY all the books which have become children's classics are books which older people like to read—not because of implications above the heads of younger readers nor because they evoke childish memories, but because, like all great books, they were written selfishly, to please or satisfy their authors, not their readers. The "Morte d'Arthur," the "Arabian Nights," the cycle of Robin Hood, all the legends and fairy-tales of the world were not told because people wanted to hear them but because their tellers had to tell them. "Gulliver's Travels" is the angry voice of Swift; Edward Lear's "Nonsense Rhymes" must have been fun to write; Stevenson must have found deep enchantment in "Treasure Island," Booth Tarkington profound mirth in "Penrod"; and "Alice," "The Wind in the Willows," Wanda Gág's "Millions of Cats," E. Nesbit's "The Bastable Children" surely gave their creator very great delight. More books have been written specifically for children in the past decade than ever before. Among those written or published each season are many good books, but parents, and even laymen like the writer, to say nothing of the many editors, publishers, and teachers of real intelligence and imagination who are doing their best to find good books, wonder why there are not more. Or rather, why so many books are written that are merely mediocre.

The recent and tremendous interest in children aroused by child psychology is partly responsible for the increasing number of books and writers for children. But this new study, frequently misunderstood or misinterpreted in its newness, has made many writers for children inclined to be too conscious of their audience, of the great gap between writer and reader, and of the whole enormous truth which has to be left untold or glossed over. Many of them have been afraid of expressing their own feelings or satisfying their own tastes, and so have tended to write under a strain and a censorship which made it difficult for them to be whole-hearted or spontaneous. A science ultimately intended to drive out fear from the hearts of children has in many cases seemed to drive some of it temporarily into the minds of parents and teachers and writers. Trying so hard to identify themselves with the children for whom they wrote they have frequently been neither truthful nor interesting.

Younger children do not suffer so much from this unselfish writing. Their books can be purely imaginative. Their writers do not need to face the dangerous problems of reality. Here is a fertile pasture, alive with talking beasts and birds and insects, where writers can gambol and sport at will.

But occasionally, in too playful hands, even this paradise becomes emasculated, falling into a quaint and arid harmlessness. For young children, imagination is reality, quick, shimmering, sudden, and fruitful. Not aroused, it is lost; aroused and unfed, it dwindles or becomes distorted. If the emotions of anger and fear and love and hatred and hunger and shame and grief which a child experiences are circumscribed and fleeting, surely they are purer and sharper and more sensitive than they can ever be once they have schooled themselves to be less easily awakened. Fortunately the conspiracy of elders to withhold intensity from such quivering senses succeeds less and less often.

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What psychology has had to say about the primitive nature of children is doing good work. Such reminding clichés as "little animals" or "young savages" have had their effect, at any rate on writers for younger children. Even a missionary quick to realize that the ravening hunger of a savage is not to be appeased with bread and milk, nor yet satisfied with humming-birds' tongues. Something at once more solid and more quaint is needed. Such meat is still to be found in Andersen and Grimm; it has been provided recently by the work of Arthur Hansome, of Edgar and Ingrid Parin-d'Aulaire, of Peggy Bacon and of Rachel Field, among a number of others.

This hunger, once aroused, does not decrease with the increasing years. It merely changes its hunting grounds, seeking satisfaction more and more in the world of actuality. But many writers of books for older girls and boys are still a little afraid of actuality. When it rears its ugly head they are tempted to talk about something else: about heroic youths who, after a conquest of their baser selves, at the zero hour either get the scoop the star reporter couldn't get, or, in grimmer warfare, save the battalion from complete annihilation; about boys of ancient Greece or Rome or Egypt or some other far place; about girls who enthusiastically save and scrimp to go to college, and then, losing all through some catastrophe, have it returned to them sevenfold by some forgotten relative; or, in more advanced and realistic vein, about girls who come to the great city to earn their living, and finding a dragon or a fairy-mother in each employer, have their struggles, but inevitably "win through" in the end. Children like such stories because they are as smooth, comfortable, and soothing as custard. They are a refuge which has the virtue of seeming like life without being lifelike.

They are still being written and they still have their place, since the pleasure they give is great and their only harm their harmlessness. But why are not more novels being written for older children dealing with the real things children have to face—the problem of fear, or shyness, or restlessness, or disappointment? For some reason the questions of older children all too frequently go on being begged in the stories written for them. There is need for more truth and more fire on the part of their writers.

HARRIET COLBY

Books for the Children of 1933

By SOPHIE L. GOLDSMITH

ALPHABET BOOKS

- Beast, Bird and Fish.* Animal Alphabet by Elizabeth Morrow. Music by René d'Harnoncourt. Alfred A. Knopf. \$1.50. A joyous triumvirate of colored illustrations, excellent versification, and melodies which most successfully complete both.
- The A. B. C. Bunny.* By Wanda Gág. Coward-McCann. \$2. In its narrative a dangerous rival for Peter Rabbit, in its illustrations and lettering exceptionally distinguished.
- All Around the Alphabet.* By Lena Towsley. Farrar and Rinehart. \$1. Photographs electric with the grace and activity of children, with captions exactly suited to their subjects.

ANIMAL PICTURE BOOKS

- The Story About Ping.* By Marjorie Flack and Kurt Wiese. Viking Press. \$1. Although even in America a duck might be inclined to procrastinate, Ping's fine Chinese setting contributes fully half to the interest of his story.
- Gaston and Joséphine.* By Georges DuPlaix. Oxford University Press. \$2. Two little pigs rollick in droll adventures. The colored illustrations present an endearing combination of caricature and realism.

The Happy Hen. By Helen and Alf Evers. Farrar and Rinehart. \$1. Striking illustrations in red, black, and white of animals and human beings on a farm are fitting accompaniments for this amusing story of a hen which declined to enjoy poor health.

Michael and Patsy on the Golf Links. By Dorothy and Marguerite Bryan. Doubleday, Doran and Company. 75 cents. A game on the end-papers, to be played with dice, adds to the interest of a story and illustrations concerning a Sealyham who has already made a niche for himself in childish affections.

Whiffy McMann. By Berta and Elmer Hader. Oxford University Press. 75 cents. This seven-inch-square book, telling the story of a little white kitten which enlisted the services of a fire department in its rescue from a tree-top has a daintiness and a clear-cut quality difficult to define and most appealing.

Butterwick Farm. By Clifford Webb. Frederick Warne and Company. \$2. The search for a lost doll among the animals of an English farm is conducted with realism and beauty through especially satisfying text and illustrations.

NONSENSE BOOKS AND SIMPLE NARRATIVES FOR YOUNG CHILDREN

Junket Is Nice. By Dorothy Kunhardt. Harcourt, Brace and Company. \$1. The very notion that junket is nice is sufficiently nonsensical to have provoked the most hilarious imagination and non-sequitur reasoning of the season.

Nonsense Songs. By Edward Lear. Set to Music by Dudley Glass. Frederick Warne and Company. \$1.50. Classic Lear verses and illustrations, with music to give added and welcome emphasis.

The Story of Babar, the Little Elephant. By Jean de Brunhoff. English Version and Illustrations by Merle Haas. Harrison Smith and Robert Haas. \$3. Why is this not classified with animal stories? Because of a sophistication which does not jar, and a drollery both in wording and illustration which requires a special niche.

Get-a-Way and Hány János. By Maud and Miska Petersham. Viking Press. \$2. The land of new toys for old affords a theme for some of the finest illustrations of the year.

One Day with Manu. Told and Pictured by Armstrong Perry. John C. Winston Company. \$2. The lure of an island in the Pacific and a small boy's enviable existence there are here set forth beyond contradiction in colorful narrative and glorious illustrations.

Cat's-Cradles for His Majesty. By Margaret and Mary Baker. Duffield-Green. \$2. It is difficult to say which contributes most to the enchanting quality of this book—the silhouettes or the delicious nonsense of its out-of-jobs trio.

Ola and Blakken. By Ingrid and Edgar Parin-d'Aulaire. Doubleday, Doran and Company. \$1.75. The vanquishing of a wicked troll by a small boy affords the theme for another "Ola" saga, with the usual fine illustrations.

FANTASY AND NARRATIVES FOR SOMEWHAT OLDER CHILDREN

The Big Tree of Bunlahy. By Padraic Colum. Illustrated by Jack Yeats. The Macmillan Company. \$2.25. Instinct with Irish beauty and fantasy, these stories are told with even more than usual of the Colum charm.

Seldom and the Golden Cheese. By Joseph Schrank. Illustrated by Gustav Tenggren. Dodd, Mead and Company. \$2. This fairy-tale's originality and philosophy, derived from its theme of a bit of gold the gradual growth of which finally destroys its owners, is one of the best-developed and most inspiring which has come to my attention.

The Rusted Knight. By Richard von Volkmann. Silhouettes by Marie Landsberger. Bruce Humphries. \$2. A collection of unusual and brilliantly imaginative fairy-tales, tinged with sadness but not morbid, with many silhouettes of artistic value.

The Hurdy-Gurdy Man. By Margery Williams Bianco. Illustrated by Robert Lawson. Oxford University Press. 75 cents. This book presents a problem when it comes to a choice between its delicate illustrations and the sunny fantasy, so lightly and tellingly spun.

The Little White Goat. Written and Illustrated by Dorothy P. Lathrop. The Macmillan Company. \$1.75. The miracle worked by May Eye and a little white goat with a golden bell brings forth an exquisite tale implicit with a special comprehension of children and animals which is apparent in both narrative and illustration.

Dark Circle of Branches. By Laura Adams Armer. Illustrated by Sidney Armer. Longmans, Green and Company. \$2.50. A crippled Indian boy and his uncle, the medicine man, are the subjects of a story instinct with the poetry and beauty of the Navajos.

Turquoise Boy and White Shell Girl. By Eda Lou Walton. Illustrated by L. Valentine. Thomas Y. Crowell Company. \$1.75. The confidence of the Indian mother in the tribal methods of child-training is here shown in refreshing contrast to the dependence of white mothers on "schools" and "systems." Navajo customs and ideals are presented.

My Boys. By Gustav Af Geyerstam. Translated from the Swedish by Alfhild Huebsch. Illustrated by Helen Sewell. Viking Press. \$2. Summer doings of two most realistic and engaging Swedish boys, told with humorous insight and fine discrimination.

The Seven Crowns. By Eleanor Frances Lattimore. Harcourt, Brace and Company. \$1.75. A little Danish girl and her daily life spring into reality in this disarmingly simple tale.

Where Is Adelaide? By Eliza Orne White. Illustrated by Helen Sewell. Houghton Mifflin Company. \$1.75. In the constant flutter of Adelaide's disappearances is a story alive with understanding of children and unerringly ministering to their delight.

Just Across the Street. Told and Illustrated by Rachel Field. The Macmillan Company. \$1.50. The rescue of an Indian cigar-store princess from desecrating hands is the theme of a story which gaily vitalizes a downtown city block and its childish inhabitants.

Roddy and Scuttle. By Eleanor Helme and Nance Paul. Illustrated by Charles Ambrose. Farrar and Rinehart. \$1.50. A story of a small boy and his dog, with delightful English atmosphere and drawings reminiscent of E. H. Shepard.

The Handsome Donkey. By Mary Gould Davis. Illustrated by Emma Brock. Harcourt, Brace and Company. \$1.75. Humor and gaiety radiate from this tale of the heroism of a donkey who seemed conceited, and the skepticism of a dachshund.

INFORMATIONAL BOOKS WHOSE TITLES GIVE THE GIST OF THEIR CONTENTS—FOR CHILDREN FROM SIX TO TWELVE

100,000 Whys. By M. Ilin. Translated from the Russian by Beatrice Kinkad. J. B. Lippincott Company. \$1.50.

The Story Book of Things We Use. By Maud and Miska Petersham. John C. Winston Company. \$2.50.

The Train Book. A Photographic Picture-Book with a Story. By William Clayton Pryor. Harcourt, Brace and Company. \$1.

Fire-Fighters. By John J. Flaherty. Illustrated by Photographs. Doubleday, Doran and Company. \$1.50.

America Travels. By Alice Dalglish. The Macmillan Company. \$2.

The Magic-City—John and Jane at the World's Fair. By Dorothy Aldis. Minton, Balch and Company. \$1.25.

Exploring the Earth and Its Life in a Natural History Museum. By James Lindsay McCreery. Frederick A. Stokes Company. \$1.75.

Strange Fishes and Their Strange Neighbors. By Paul W. Kearny. Doubleday, Doran and Company. \$1.25.

The Second Picture Book of Animals. Photographs Chosen from "Das Tier." The Macmillan Company. \$2.

The Book About Animals. With Color Plates and Numerous Illustrations. Frederick Warne and Company. \$2.

INFORMATIONAL BOOKS AND FICTION FOR THE "TEEN AGE"

A Book of Americans. By Rosemary Carr and Stephen Vincent Benét. Farrar and Rinehart. \$2. Sparkling biographies in verse, vibrant, penetrating, and most stimulating.

The Pictured Story of English Literature. By J. W. Cunliffe. D. Appleton-Century Company. \$5. Concentrated literary biographies notable for terseness and comprehensiveness.

Invincible Louisa. By Cornelia Meigs. Little, Brown and Company. \$2. A beautiful and scholarly biography of Louisa Alcott.

All the Ways of Building. A New Story of Architecture. By L. Lamprey. Illustrated by Helene Carter. The Macmillan Company. \$3.50. Interesting and clear approach to a hitherto rather inaccessible subject.

The Story of Russia. By Birger Richard Headstrom. Frederick A. Stokes Company. \$3.50. A much-needed readable history of Russia.

Thomas Jefferson. By Gene Lisitzky. Viking Press. \$2.50. The kind of biography which graphically and authentically recreates a man and his epoch.

Franklin Delano Roosevelt, The Minute Man of 1933. By Belle Moses. D. Appleton-Century Company. \$1.75. Enthusiastic but not fulsome, emphasizing Roosevelt's courage and optimism.

Jack's House. Told and Illustrated by Lincoln Fay Robinson. Viking Press. \$2. An unusually penetrating story of a boy from his seventh through his seventeenth year, showing the throes but not necessarily the woes of adolescence.

College on Horseback. By Esther Greenacre Hall. Harrison, Smith and Robert Haas. \$2. Interesting and thoroughly up-to-date story of a girl's struggle to earn her way through college. Plenty of humor.

Prairie Anchorage. By Marjorie Medary. Longmans, Green and Company. \$2. The growing pains of a country where woman is beginning to insist she is a person afford one of the most interesting angles of a many-faceted story concerning a Canadian pioneering family going West in the fifties.

The Enchanted Jungle. By Isadore Lhevinne. Coward-McCann. \$2.50. A courageous and interesting young man braves Ecuador jungles in his search for the themes of primitive music.

Jane Hope. By Elizabeth Janet Gray. Viking Press. \$2. The scene is Chapel Hill just before the outbreak of the Civil War. The girl characters are unusually fine and appealing.

Swords of Steel. By Elsie Singmaster. Houghton Mifflin Company. \$2. Told from the point of view of a boy who grows up during the Civil War, of which the reverberations boom thrillingly from various points in the Gettysburg section.

Lone Rider. By Hildegard Hawthorne. Longmans, Green and Company. \$2. The Pony Express and Kit Carson figure in a dashing and exciting story.

The Forgotten Daughter. By Caroline Dale Snedeker. Doubleday, Doran and Company. \$2. Two Greek slaves successfully combat the horrors of their situation, in the days when Cornelia was proudly exhibiting her "jewels."

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Peter, Katrinka's Brother. By Helen Eggleston Haspell. E. P. Dutton and Company. \$2. A colorful and interesting story of a boy of the Russia of today whose sister was a member of the Russian Imperial Ballet.

Triple Threat. By Donald Hamilton Haines. Farrar and Rinehart. \$1.75. That rare and welcome achievement—a first-class story of a boy's school.

REISSUES AND GIFT EDITIONS

The Enchanted Castle. By E. Nesbit. Coward-McCann. \$1.75.
Andersen's Fairy Tales. Illustrations by Elizabeth MacKinsty. Coward-McCann. \$2.50.

The Wind in the Willows. By Kenneth Grahame. Illustrated by E. H. Shepard. Charles Scribner's Sons. \$1.

Aesop's Fables. Illustrations by Boris Artzybasheff. Viking Press. \$2.

Rip Van Winkle. Illustrated by Victor Pérard. Frederick A. Stokes Company. \$1.50.

The Casting Away of Mrs. Lecks and Mrs. Aleshine. By Frank Stockton. Illustrated by George Richards. D. Appleton-Century Company. \$2.50.

Skycraft. By Augustus Post. Oxford University Press. \$1.50.

The Odyssey. Illustrations by N. C. Wyeth. Houghton Mifflin Company. \$2.50.

Goblin Market. By Christina Rossetti. Illustrations by Arthur Rackham. J. B. Lippincott Company. \$2.50.

Shorter Notices

Rockwell Kentiana: Few Words and Many Pictures. By Rockwell Kent. Bibliography and Check-List of Prints by Carl Zigrosser. Harcourt, Brace and Company. \$3.75.

Rockwell Kent is his own best, and if you are not taken in by him, worst spokesman. His writings on art and closely related subjects—of which this sumptuously illustrated book contains a representative selection—are claptrap of a very distinguished order. Although it is possible that Kent may not be aware of it, they are extremely clever rationalizations of his deficiencies as an artist. Here is a fair sample culled from an article called Adam and Eva: "We must approach the bewilderment of art with unbewildered minds, caring not at all whether it be great or little, modern or ancient, true or false, but only how that most direct and simple picture-speech may move us." Broadly paraphrased this means: "If my art gives you pleasure, do not look it in the mouth. Your heart, dear patron, should be large enough to admit the weak and the strong, the stunted and the full-grown." It is an appeal, spurious but appetizing, for Rockwell Kent's highly decorative art. Carl Zigrosser's check-list of prints may be helpful to collectors. The format and typography are admirable. We wish as much could be said for Kent's art and his writings on art.

H. M. Stanley. By A. J. A. Symons. Great Lives Series. The Macmillan Company. 75 cents.

In his three great explorations of Africa—the successful search for Livingston, the tracing of the Congo River, and the relief of the White Pasha—Stanley did more than any other European to open up Africa. He was the sentimentalist of imperialism who believed that the missionaries and the traders would civilize Africa. He lived to see the people of Africa more completely enslaved than at any time during the days of the slave trade—enslaved in their own land by the overseers of capitalists in Brussels, London, Paris, and Berlin. This helped to bring him to an uneasy end in his English gardens, where he had laid out in miniature the topography of his beloved Africa. Mr. Symons achieves in this story an effective brief biography.



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For thirty years he has been promising forestry, yet today his operations are as destructive as ever. In this popularly written but scientifically grounded book, Robert Marshall, chief forester of the Indian Bureau, proves with novel facts and figures and irrefutable logic the impossibility of planned forestry under private control, and the necessity of public ownership and operation of our woodlands.

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W. W. NORTON & CO. 70 Fifth Avenue New York

Art

We Do More Than Our Part

IT would be hard to recall another month in the history of New York when the city put forth such an effort as is represented by four exhibitions of painting and sculpture to be held during November. Coming together, their quality and importance demonstrate the growth of appreciation here, for all the courage of the men who have gone to the expense of these shows would come to naught if public interest had not moved on to a point where some return for the effort, either in cash or in reputation, was assured. It is heartening that in times like these people are giving enough attention to art to justify the high level of these exhibitions. But even if there exists a better sense of values among art lovers, credit must still be given to the dealers: after the leanest years within their memory they return to their work with an energy and a faith that well deserve admiration.

Take for example the Delacroix exhibition, at the Marie Harriman Gallery. For the first time in the seventy years since the death of the greatest painter of the nineteenth century, as he is considered by many of the most competent judges, New York is now given a one-man show of his work. Perhaps we are henceforth to escape the reproach contained in that old rule of the auction rooms, a pretty reliable one, that whenever a canvas by Delacroix came up for sale here, it was bought by Europeans, to be sent out of the country. There was so little understanding of the master here that we let go the works by him which earlier buyers, following the fashion of their day, had brought from abroad. Time has spoken with its usual authority on the poverty of most of the paintings in those old collections, while it has given to the pictures they contain by Corot and Delacroix the rank of classics. It is only by chance that we have retained as many as we have; or does their presence here indicate some appreciation of the fact that the classics are not simply the most famous works but the most exciting ones?

That was the point to which, many years ago, Ambroise Vollard's instinct brought him, and the fact may well contain the explanation of his immense success as a dealer. One of his maxims is that pictures cannot be sold, they must sell themselves. Accordingly he set out to have only such works as would gain in value with the passing of time. He was interested in modern art—not so much because it would rise in price immeasurably faster than the older things, but because he saw his period as a very great one and wanted to have a share in it. Personal acquaintance with its best artists gave him invaluable counsel on what was essential in the modern period, but again one must recognize the justness of the man's own intuitions as one reviews the quantity of masterwork by Cézanne, Redon, Van Gogh, Gauguin, Degas, Renoir, Derain, Picasso, and others that he bought and stored away for the time when people should realize their worth. Today, well along in years, he shows a small part of the collections he has owned; and it makes clear why that house to which he retired on closing his gallery has been one of the most eagerly visited in Paris. Some of its contents, including a Cézanne of the first importance, are now on view at the Knoedler Gallery.

M. Vollard was an early admirer of Rouault, and indeed one reason for the difficulty of knowing this extraordinary painter was that his dealer wanted to delay showing his pictures till they should receive more appreciation. That time seems to have arrived, to judge from the attitude of visitors to the Rouault exhibition at the Pierre Matisse Gallery. What once seemed crudeness now appears as strength, lofty and even

gentle; what once seemed blackness is seen, on closer acquaintance, to come from a color sense as splendid as that of the ancient workers in enamel and in stained glass. Such painting, from a man still in middle life, gives one a sense of the importance of our period.

Testimony on this point perhaps even more conclusive is furnished by the Brancusi exhibition at the Brummer Gallery, to open November 15. With Rouault one thinks of those old-time artists I have named, and of Daumier. But if our contemporary is too powerful to permit the thought that he is trying to repeat the achievement of the past, he is still traditional—in the best sense of the word. Brancusi represents, at its best, the drive of our period toward new creation and at the same time toward definitiveness. If a parallel for this phase of his work is sought, it must be among such ancient races as the Egyptians, the Chinese, and the Mexicans, who through centuries of evolution arrived at the forms through which we define perfection. Like those men of long ago, Brancusi has passed from the copying of nature to the self-dependence of art, and he has done so with the same type of feeling—one that may fairly be described as religious; similarly, one sees in his art that obliviousness to the passing of time which caused whole families of ancient workmen to wear down the surfaces of a hard stone till exactly the right masses, the right curves had been achieved, often after the labor of more than a single lifetime. In such a spirit Brancusi has gone on, year after year, perfecting the forms which, in his youth, he divined in heads, birds, and other objects, but which only incessant comparison and toil could bring to their full expressiveness.

The fact that Marcel Duchamp is once more coming to America to take charge of the exhibition of his friend's work is not alone a measure of Brancusi's significance; it is perhaps even more an indication of the way in which the world of art, still rich in its modern freedom, is determined upon a resumption of the best line of its past.

WALTER PACH

Drama

"Backward, Turn Backward"

"THUNDER ON THE LEFT" (Maxine Elliott Theater) is dramatized from the novel of the same name by Christopher Morley. The many admirers of that fantasy will doubtless know what it is all about and some of them at least may find the dramatic version a source of delight, but I must confess my own unfitness for the task of elucidating it. In the first place, I have only a vague general idea of what is supposed to happen to the child hero whose wish to be an adult for one day is gratified and who then returns in disgust to the infantile state. In the second place, I am temperamentally incapable of appreciating the Peter Pan motif for the simple reason that I have never been able to see the difference between the "boy who never grew up" and a case of what psychologists call arrested development. It is therefore not enough for me to say that I think "Thunder on the Left" a bad play. I must discount my own opinion by adding, in the immortal words of a famous clown, "Even if that was good I wouldn't like it."

Children are often delightful creatures, but to most people, I think, a considerable part of their charm lies just in the fact that their souls are proportioned to their bodies and that the promise of maturity is evident in both. To me at least it seems that only a sickly fancy could possibly wish to withhold for an indefinite period the fulfilment of that promise, or could fail to realize that what we admire as innocence is only an ignorance which seems appropriate. Transfer it, as Mr. Morley does, to

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the body of a man and it becomes, like any other abnormality, monstrous and repulsive. His man with the soul of a child is not, as he was intended to be, a creature of airy charm. As soon as we actually see him, as soon as the conception is rendered concrete, we realize that he is merely a phenomenon for which we have familiar and ugly names. He is, that is to say, merely, a eunuch and a moron.

Most of the works of J. M. Barrie embody in some form or other what a Freudian would call a fantasy of regression. They are, in other words, imaginary escapes from the world of adult complexity into the sheltered universe of the child. But Barrie generally tends to disguise a fact which Mr. Morley's story emphasizes—the fact, that is, that the most characteristic feature of this infantile world is its sexlessness and that the boy who never grew up is primarily a boy to whom the adult world is incomprehensible because he does not feel the force of its most powerful urge. In so far as such fantasies are fundamentally insincere they are merely sentimental. In so far as they are products of a deep though perhaps wordless conviction, they are genuinely pathological, for the will to immaturity is neither healthy nor common. Most men and most women are glad to have grown up and most of them would have answered as Dr. Johnson did Boswell's silly question about the passion of love. If it is unfortunate, then so too is the whole business of living.

As for the other two plays of the week, each gives the impression that it ought to have been better than it is. "Eight Bells" (Hudson Theater) is a tale of mutiny on the high seas which is blessed with an excellent situation and achieves a considerable degree of excitement, but which plods heavily along and finally leaves behind only an impression of stolid, uninspired competence. "Under Glass" (Ambassador Theater) is both better and worse in the sense that a talented amateurishness is always both better and worse than routine professionalism. It has some very bright lines and at moments works its characters into highly ludicrous situations, but it is marred by some of the most heavy-footed exposition and some of the most fatuous *obiter dicta* which ever tripped up an otherwise sprightly farce. The two authors have probably realized by now how unnecessary both are.

JOSEPH WOOD KRUTCH

Films

Jean Cocteau's Film

BOTH films viewed this week are definitely dated—but for quite different reasons. Jean Cocteau's "Le Sang d'un Poète" (Fifth Avenue Playhouse), which is about three years old, very clearly marks the end of something—a period, or possibly even an epoch. "Three Thieves" (Acme), produced in the U. S. S. R. seven or eight years ago, illustrates an abandoned direction, a stage not continued, in the development of what is usually considered the most strictly contemporary tradition of the screen. In both cases our interest is too historical to permit of a sufficiently pure response: we are too much aware that what we are witnessing is either over-ripe or not ripe enough. Yet both productions have very real intrinsic merits.

"Le Sang d'un Poète" is another exhibition of Cocteau's extraordinary and indefatigable virtuosity. If there are certain artists who impress by their ability to concentrate the most diverse materials of experience within the confines of a single chosen form, there are others who entertain and bewilder by their genius for distributing a narrower experience over a wide diversity of forms. Cocteau, who has this second kind of genius, has not been content to run the whole gamut of literary forms

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from parody to tragedy. The need of his peculiar genius has driven him into the allied fields of music, painting, acting, the dance, and even philosophical discourse. What has actually provided the chief appeal of his work for so many people is the feeling that it creates of assisting at a collision—the collision of a personality already familiar to us with the conventions of a form with which it has never before been associated. Cocteau's cinema, like his verse, his drawings, and his "opera," can only be fully enjoyed if one takes pleasure in seeing what happens when a certain kind of personality tries to express itself in a new and unaccustomed medium. And it should theoretically be possible to receive this pleasure whether or not one happens to admire the particular personality in question. But even if one is unable to make such a temporary acceptance, there still remains much that can be both admired and enjoyed in Cocteau's work. The fact cannot be denied that this disciple of the symbolists and intimate of Picasso does possess wit, fancy, and a highly developed sense of plastic line. All these things entering into his film, achieve at times an astonishing and truly beautiful fusion. The photography and direction, for example, are uniformly brilliant—something that cannot be said of any of the other *surréaliste* products shown in this country. Always the maximum of plastic beauty is extracted both from individual objects and from their arrangement in cinematic patterns. (Many of the groupings of statuary and human figures are as good as the best Chiricos.) But this is possibly to suggest too free a play of the "plastic fallacy," for Cocteau also experiments richly with new effects of movement—the clogged, dreamlike course of the hero down the hallway, images progressing and receding in the third dimension, the crisscrossing of planes in the snowball battle. The lighting of this last episode—which is both pictorially and emotionally (if one can make such a distinction) the most unforgettable in the picture—is a miracle to which Hollywood would do well to pay homage. And the synchronization of Georges Auric's music—which is, incidentally, superior to any he has so far composed for the screen—is perfectly managed throughout. All this is to emphasize those aspects of Cocteau's film which might interest those for whom his poetry, his tortuously modern symbolism, will seem too absurd or difficult to be quite palatable. It is not possible here to compete for the prize which the Fifth Avenue is offering for the best solution of the Cocteau "riddle." Indeed, it is to be doubted whether such a contest can produce anything but more riddles: to explain what Cocteau *means* can only lead to equally inexplicable abstractions. The meaning of all of Cocteau's productions lies in his personality, and a proper analysis of that personality would entail a pretty full account of what has happened to European culture in general and to the French tradition in particular in the last seventy years. Let us not trouble too much about "meanings": this is a poet's picture, and it will have meaning enough if its many separate elements of beauty are properly recognized and enjoyed.

"Three Thieves" belongs to that forgotten period of the Russian cinema when directors were still devoted to annihilating the bourgeoisie. Its purpose is to illustrate that stealing has quite the same human motive behind it whether the thief is a common pickpocket, a suave international crook, or a respected banker. As satire it is crudely oversimplified to point its moral; and its photography and direction reveal its age.

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